

Final stage impact assessment

Title: New right to unpaid bereavement leave

Type of measure: Primary Legislation

Department or agency: Department for Business and Trade

IA number: DBT-043-24-CMRR

RPC reference number: ...

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Date: 21/10/2024

1. Summary of proposal

1. The Government's plan to Make Work Pay committed to introducing a day one right to bereavement leave for all employees. Many details of the entitlement, including which relationships are in scope, will be outlined in secondary legislation.
2. Currently, there is no specific statutory right to time off work following the death of an adult family member. Other relevant statutory rights include:
 - Parental Bereavement Leave and Pay, which came into effect in April 2020, provides eligible parents with up to two weeks of paid leave if their child dies before they turn 18 or is stillborn. The leave is available from the first day of employment, while the pay requires employees to meet a continuity of service and minimum earnings requirement. Leave can be taken at short notice (i.e. before the time they start work on the day to be taken off) if within 8 weeks from the death, or with longer notice (of one week) if leave is taken 9 to 56 weeks after the death.
 - The Employment Rights Act 1996 provides for a "day one" right for an employee to have 'reasonable' time off work to deal with family emergencies. Time off for Dependents allows a 'reasonable amount' of leave to resolve an emergency involving a dependent, including any actions required in consequence of a dependent's death. The leave is unpaid but enables employees to leave work immediately and give notice later. This provision does not permit a person to take time off to grieve or recover from the mental impact of their bereavement.
 - As with Time off for Dependents, annual leave is not intended to be used for bereavement and employers can decline a request for annual leave to be taken at a

certain time (although they cannot refuse to let employees take the leave at all). Moreover, in some cases people are unable to take annual leave (e.g., where all annual leave has already been used).

3. The Government intends to provide an entitlement to employees for time off work to grieve the death of a loved one by including powers in primary legislation. The entitlement and the relationship that the employee must have with the deceased to be eligible for Bereavement Leave will be outlined in secondary legislation.

2. Strategic case for proposed regulation

4. Some sources have estimated that 1 in 10 employees¹ may be affected by bereavement of any type (i.e. any family member or friend) per year,² which highlights the wide potential impact of bereavement on families and employers. Intense grief impairs an employee's ability to work and puts individuals at risk of related physical and psychological conditions. Many bereaved individuals find they are temporarily unable to perform their job effectively or will need time away from work to grieve with other family members.
5. Research suggests that supportive workplaces are likely to help the process of grieving and make an employee's return to work easier and more sustainable. Evidence on the provision of leave following the death of a child demonstrates the likely improvement of an employee's experience as they return to work by feeling more valued, increased commitment to the organisation, and being more productive than they would have been otherwise.³ This assumption could also be reasonably applied to the death of other family members.
6. In addition, disregarding loss and grief in the workplace can undermine the efficiency and effectiveness (and therefore reputation) of the organisation. Consultation with employer representatives revealed business benefits from providing time off to grieve, including better health and wellbeing of their workforce and increased moral and engagement of their employees.⁴
7. In the absence of a statutory entitlement to bereavement leave for non-parents, the offer to employees can vary considerably. Some employees may already be entitled to special or compassionate leave if their workplace has a contractual policy which allows for leave in these situations (or the employer may allow compassionate leave on a discretionary basis). At the other end of the spectrum, employees may find they are unable to take annual leave, and their employer does not have a special leave policy relating to bereavement.⁵
8. Statutory Bereavement Leave legislation sets out minimum employment rights which employers must provide to their employees. Without minimum statutory entitlements, there may only be weak incentives for employers to provide similar entitlements due to the costs they would face and no legal obligation to do so. In these circumstances the full individual and societal benefits of bereavement leave would not be realised. Government intervention would correct this inefficiency. While some employers provide informal bereavement leave arrangements to employees, not all employees will be able to take time off to grieve. Enabling further take-up of bereavement leave will continue to provide a social benefit associated with a

¹ Widely reported (hypothetical) estimate based a study in Ireland in 2002.

² [A Guide to Compassionate Bereavement Support](#), CIPD, Feb 2021

³ [Parental Bereavement Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, May 2018

⁴ [Parental Bereavement Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, May 2018

⁵ Using a survey of 1,006 HR professionals and decision-makers, conducted by YouGov for the CIPD: [Three quarters of employers support extending paid bereavement leave to close family members](#), CIPD research finds, CIPD, Mar 2022

more engaged, productive, and healthy workforce. Legislation is needed to enhance previous interventions in this area to provide a minimum standard for a wider range of employees.

9. The Government intervenes in the labour market to extend individual employment rights for **equity reasons and to encourage employers to incorporate bereavement into their business models**. A well-functioning labour market provides necessary rights and protections, to support the wellbeing of employees whilst also empowering business to operate competitively.

3. SMART objectives for intervention

10. The aim of this proposal is to:
 - Give bereaved employees the statutory right to unpaid leave to provide protected time off work for them to grieve for the loss of a loved one.
 - Rise the standards expected from employers for ensuring that employees are given the space to grieve the loss of the loved one. Employers can build on this legislation by going further and offering occupational pay.
 - Improve job security and equality across employers, by ensuring employees have appropriate protections against facing detriment because of necessary time off for bereavement and the right to return to work following bereavement leave.
11. The intended outcomes are:
 - Employees have increased time away from work to grieve and be with other members of the family.
 - Employees can bring a claim to ACAS and the Employment Tribunal (ET) from day one if they have faced detriment by taking Bereavement Leave.
 - Ensure all employers provide a minimum standard of Bereavement Leave, leading to benefits from supporting individuals. This includes reducing absenteeism and presenteeism, and employee loyalty from improved workplace support.
 - Encourage more employers to develop their bereavement policy.

4. Description of proposed intervention options and explanation of the logical change process whereby this achieves SMART objectives

12. **Preferred option: Introduce a new statutory right to day one bereavement leave enacted through the Employment Rights Bill and define the detail of the entitlement including the scope of the relationships and window of time the leave can be taken in secondary legislation (after consultation):**
 - Use the Employment Rights Bill to introduce a right to Bereavement Leave for all employees based on a similar legislative framework to that for Parental Bereavement Leave.
13. The preferred option is based on the existing framework for Parental Bereavement Leave and achieves the objectives by giving employees the statutory right to unpaid bereavement leave to grieve the loss of loved one from day one of employment.

5. Summary of long-list and alternatives

14. The introduction of a new statutory entitlement to bereavement leave will establish a protected right to time off for employees to grieve their loss. This sets an important legal minimum and as with other entitlements, employers can build on this and enhance the offer for their employees - for example with a longer period or by offering pay. Consideration has been given to non-regulatory options and the inclusion of small and micro businesses exemptions.
15. The Make Work Pay manifesto commitment was for a leave entitlement only, and therefore pay was not considered at this time. However, the implementation and effectiveness of this policy will be kept under review in the usual way, including monitoring whether and how the policy design effects take-up and the extent to which employers offer enhancements.
16. To introduce a right to Bereavement Leave for all employees, the entitlement will be set in regulations. A non-regulatory reform would be unlikely to meet the intended objective of the policy to ensure employees have appropriate protection to take time off to grieve a bereavement, and that these rights are enforced, enabling employees to bring a case to the ET if necessary.
17. The preferred option is expected to be applied to businesses of all sizes, including small and micro businesses, in line with the principle that all employees deserve time off work to grieve the loss of a loved one, irrespective of the size of the organisation they work for. While it is recognised that smaller businesses may face disproportionate challenges due to their limited resources, the broader societal benefits of increased worker security and fairness in the labour market justify the policy's scope.
18. Nevertheless, it is recognised that Small and Medium Enterprises (SMEs) might be less able to withstand additional costs as a result of unplanned absences due to having less employees to cover the workload of others thus resulting in a loss of outputs. A full SaMBA assessment is found in the evidence base section of this IA.

6. Description of shortlisted policy options carried forward

19. Two options have been carried forward for the purpose of the analysis:
20. **Option 1: Do Nothing**
 - “Status Quo” or “no change” option from the current system, keeping the situation of not legislating a bereavement leave.
21. **Option 2: Introduce a new statutory right to day one Bereavement Leave enacted through the Employment Rights Bill and define the detail of the entitlement including the relationships in scope and the length of leave that can be taken through secondary legislation:**
 - Use the Employment Rights Bill to introduce a right to Bereavement Leave for employees based on a similar legislative framework to that for statutory Parental Bereavement Leave. This may limit uncertainty and the business impact in terms of understanding a new entitlement for employees.
 - Use the Employment Bill to provide a power to further define the scope of the relationships and the duration of the leave in secondary legislation after consultation.

22. Analysis of DBT's latest Business Population Estimates finds that overall, 96.5% of businesses in Great Britain are small and micro businesses (fewer than 50 employees) and these businesses account for 29.0% of all employees.⁶
23. Using the Annual Population Survey or Labour Force Survey, it is not possible to estimate the proportion of employees that will face bereavement by businesses size, however we expect smaller businesses will be impacted to a greater degree as they have limited resources (impact will depend on the scope of the policy). A full (Small and Micro Business Assessment) SaMBA assessment is found in the evidence base section of this IA.

7. Regulatory scorecard for preferred option

24. It is not possible to reliably monetise the impacts of the policy at this stage, therefore there are no estimates of the Equivalent Annual Net Direct Costs to Business (EANDCB), the Equivalent Annual Net Direct Costs to Households (EANDCH), and the Net Present Social Value (NPSV) of the policy. Illustrative impacts have been captured in this IA which rely on several uncertain assumptions on the population in scope and take-up. Any EANDCB/EANDCH estimates would therefore be based on familiarisation costs only, which would offer a partial and potentially misleading picture of impact. Further policy detail will be undertaken which will allow a more reliable estimate of impacts to be completed at consultation stage.

Part A: Overall and stakeholder impacts

25. The analysis presented below are illustrative the costs and benefits of this policy change. The analysis will be refined for secondary legislation.

(1) Overall impacts on total welfare		Directional rating
		Note: Below are examples only
Description of overall Expected impact	<p>Impact on businesses is expected to be net negative and driven by the costs associated with re-organisation Costs of the additional population in scope of Bereavement Leave and administration costs (including costs incurred from familiarisation of the policy). However, through a minimum standard of Bereavement Leave it is expected that businesses will benefit through reduced absenteeism and presenteeism, staff wellbeing and increased staff retention and loyalty.</p> <p>The impact on households is expected to be net positive and driven by health and wellbeing benefits arising from being able to grieve following bereavement without fear of reprisal and ability to enforce their rights.</p> <p>It is not clear if the benefits to households will outweigh the costs to business.</p>	Uncertain Based on all impacts (incl. non-monetised)

⁶ DBT analyst calculations using [Business population estimates 2023](#), Department for Business and Trade, Oct 2023

Monetised impacts	<p>Total £ NPSV for the purposes of this impact assessment are not provided, but scenarios have been included for illustration:</p> <p>a. Scenario 1, based on one week available to close family members – Adult Children, Partners, Siblings, Parents.</p> <p>b. Scenario 2, based on two weeks available to a broad definition of family – Adult Children, Partners, Siblings, Parents, Grandparents, Grandchildren, Step-parents, Step-siblings, Half-siblings.</p> <p>Illustrative business costs include one-off familiarisation costs for both scenarios of £46.9m and annual ongoing costs of £21.0m and £64.2m in the case of Scenario 1 and 2 respectively. Ongoing costs to business are reorganisation costs and administrative costs. This is covered further in the Section “Costs and benefits to business calculations”.</p> <p>Business and Household costs from legal costs to employees making claims to the ET and ACAS are anticipated to be nil/negligible. This is covered more in paragraphs 116-127.</p> <p>Furthermore, significant non-monetised benefits to employees and businesses are not covered here.</p>	Negative Based on illustrative costs which do not consider significant non-monetised benefits to employees and businesses.
Non-monetised impacts	<p>Non monetised impacts include:</p> <p>1) wellbeing benefits to employees from being given the time off work to grieve the loss of a loved one.</p> <p>2) benefits to employers through decreased employee absenteeism, presenteeism and increased loyalty and retention following an employee facing bereavement.</p> <p>Given that the eligibility of bereavement leave could be high (with illustrative estimates up to 1.9 million for Scenario 2), the unquantified benefits to employees are expected to be significant.</p>	Positive
Any significant or adverse distributional impacts?	<p>Smaller businesses may face disproportionate challenges due to their limited resources.</p> <p>The assumption is that all groups of employees will benefit, however, there may be distributional variation:</p> <p>1) In absolute numbers those aged 35-49 may benefit more from the introduction of a Bereavement Leave (however, this will depend on the final policy design).</p>	Uncertain

	2) Pakistani and Bangladeshi families may be larger, therefore those demographics may face more bereavement and therefore benefit more from the provision of Bereavement Leave.	
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(2) Expected impacts on businesses

Description of overall business impact	<p>There will be additional costs to employers to familiarise themselves with the introduction of new legislation. Some of these costs may be offset where businesses already have experience with occupational bereavement leave schemes.</p> <p>The policy is expected to lead to some additional re-organisation costs to business associated with short-notice employee absence. These are highly uncertain and have been included for illustrative purposes to provide a likely higher bound estimation.</p> <p>The policy is expected to lead to a negligible number of additional ACAS and ET cases.</p> <p>There may be indirect positive impacts to the employer associated with employees being able to take the necessary time off to grieve (through, among others, reduced absenteeism, presenteeism, and staff turnover.)⁷</p>	Negative
Monetised impacts	Business costs include one-off Familiarisation costs for both scenarios of £46.9m and annual ongoing costs of £21.0m and £64.2m in the case of Scenario 1 and 2 respectively . Ongoing costs to business are reorganisation costs and administrative costs.	Negative
Non-monetised impacts	<p>Non monetised impacts include:</p> <p>1) Legal and administrative costs which may come as a result of additional ACAS and ET cases. These are expected to be nil/negligible.</p> <p>2) Benefits to employers through decreased employee presenteeism and possibly loyalty and retention following an employee facing bereavement receiving the necessary time off to grieve.</p>	Positive
Any significant or adverse	When employees do take bereavement leave, SMEs will be impacted from unplanned absences to a greater extent as they have limited resources and may have	Negative

⁷ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

distributional impacts?	less capacity to re-allocate the work among existing staff compared to larger businesses.	
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(3) Expected impacts on households

Description of overall household impact	<p>The policy is expected to provide positive wellbeing impacts on employees who face a bereavement by providing the space to grieve the loss of a loved one.</p> <p>There will also be associated costs with ACAS and ET cases. These are expected to be negligible. When employees bring a claim to ACAS or the ET they potentially benefit from a settlement or tribunal award.</p> <p>As the leave is unpaid, households would incur the loss of income when they go on leave. However, given the leave is discretionary, we assume that the benefit to the employee that take-up the leave entitlement must be equal to or exceed the costs incurred from the loss of wages. In a proportion of the cases, it is assumed that the benefits to households exceeds the loss of income, hence the expected impact on households is positive.</p>	Positive
Monetised impacts	There are potential costs to employees making claims to the ET and ACAS and benefits to employees in the form of ACAS settlements and ET awards from when employees suffer a detriment after taking Bereavement Leave and need to enforce their rights. These are anticipated to be nil/negligible.	Neutral
Non-monetised impacts	<p>Non-monetised impacts include wellbeing benefits to employees from being given the time off work to grieve the loss of a loved one.</p> <p>Given that the eligibility of bereavement leave could be fairly high (with illustrative estimates of up to 1.9 million for scenario 2), the unquantified benefits to employees are expected to be significant.</p>	Positive
Any significant or adverse distributional impacts?	Individuals that are in lower income groups may be unwilling to take unpaid leave. Where individuals do take unpaid leave we assume that the benefit outweighs the cost (lost income) of doing so.	Uncertain

Part B: Impacts on wider government priorities

Category	Description of impact	Directional rating
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Business environment: Does the measure impact on the ease of doing business in the UK?	There is limited evidence to suggest that the policy will have significant impact on business investment. Increased burden on businesses might result on lower aggregate investment. However, employers might respond to the changes by improving their bereavement policies and procedures, and people management, which could result in additional investment. However, more evidence is needed on this.	Uncertain
International Considerations: Does the measure support international trade and investment?	<p>From a legal standpoint, the policy does not impact international trade as it is compliant with international obligations and does not have any implications for trade partners or foreign businesses operating in the UK.⁸</p> <p>From an economic standpoint, most of the empirical evidence found no correlation between labour standards and comparative advantage and/or ability to attract foreign capital, with some evidence even suggesting that higher labour standards are associated with better export performance. As a result, we do not expect this policy to have any impact on international trade and investment.</p>	Neutral
Natural capital and Decarbonisation: Does the measure support commitments to improve the environment and decarbonise?	The proposal is not expected to have any impact on the natural environment, energy usage and greenhouse gas emissions (either positively or negatively).	Neutral

8. Monitoring and evaluation of preferred option

26. The Government intends to undertake proportionate monitoring and evaluation of this measure. However, since policy design detail and implementation will be determined through subsequent secondary legislation it is not possible to lay out the timings and basis for this review at this stage.
27. Ahead of secondary legislation, the Government will determine the nature of the post-implementation review to develop more detailed plans for data collection and evaluation. This will include monitoring the impact of the change to assess whether the preferred option is meeting the objective(s) laid out in paragraphs 52-54.
28. The Post-Implementation Review (PIR) will summarise the evidence that we gather on the policy's effectiveness (including take-up as a key metric), as well as any learnings that can be applied to future policymaking.

⁸ Foreign businesses operating with Great Britain based employees will have to provide the statutory required minimum of Bereavement Leave.

- 29. The review will also consider wider economic impacts of the policy, including, employment rates and productivity as well as unintended consequences. Where possible, the review will aim to test distributional impacts (for example, on SMEs).
- 30. The extent to which the policy has met its objectives can be tested via surveys, including impacts on employees (to test perceived impacts on engagement with work and wellbeing) and employers (to test impact on business costs). Feedback from stakeholders (primarily representatives of employer and employee groups) on questions assessing satisfaction with the reforms, awareness and level of understanding will also be captured.
- 31. The review will also consider wider economic impacts of the policy, including, employment rates and productivity as well as unintended consequences. Where possible, the review will aim to test distributional impacts (for example, on SMEs).
- 32. The approach and methodology will be further developed for secondary legislation, taking into consideration proportionality.

9. Minimising administrative and compliance costs for preferred option

- 33. Ways of mitigating the administrative burdens on businesses will be tested via consultation, including ensuring that businesses have access to guidance and advice to navigate the changes and processes.
- 34. Recognising that smaller businesses may have limited resources compared to larger businesses, the consultation will test whether specific provisions for smaller businesses are necessary.

Summary: Analysis and evidence

Price base year:

2023

PV base year:

2025

	1. Business as usual (baseline)	3. Preferred way forward (if not do-minimum)
Net present social value (with brief description, including ranges, of individual costs and benefits)	Used as baseline for the analysis	Not estimated.
Public sector financial costs (with brief description, including ranges)	Used as baseline for the analysis	Public sector costs may include annual ongoing costs associated with legal costs from employees making claims to an ET and ACAS public sector employers. These are expected to be nil/negligible. Public sector employers will have to provide Statutory Bereavement Leave and will incur costs. At the same, public sector employees will benefit from this change. Impacts have not been separated out by public and private sector employers as further evidence is needed to understand the proportion of public sector employers who already offer some form of leave in these circumstances.
Significant un-quantified benefits and costs (description, with scale where possible)	Used as baseline for the analysis	1) Wellbeing benefits to employees from being given the time off work to grieve the loss of a loved one, 2) benefits to employers through decreasing employee presenteeism and possibly loyalty and retention following an employee facing bereavement.

Key risks (and risk costs, and optimism bias, where relevant)	Used as baseline for the analysis	Key risks are the limited evidence to inform the take-up rates and the family composition of Great Britain. These risks are addressed in this IA. There is also limited information on how businesses will respond to the introduction of Bereavement Leave.
Results of sensitivity analysis 	Used as baseline for the analysis	Due to the large range of uncertainty in the take-up rate, the costs presented in this IA are illustrative. Where possible, evidence gaps will be tested during consultation

35. As addressed in the Section “**NPSV: monetised and non-monetised costs and benefits of each shortlist option (including administrative burden)**”, It is not possible to reliably monetise the impacts of the policy at this stage. There are no estimates of the Equivalent Annual Net Direct Costs to Business (EANDCB), the Equivalent Annual Net Direct Costs to Households (EANDCH), and the Net Present Social Value (NPSV) of the policy. Illustrative impacts have been captured in this IA. Further policy detail will be undertaken which may allow a more reliable estimate of impacts to be completed at consultation stage.

Evidence base

Problem under consideration, with business as usual, and rationale for intervention

36. Pre-pandemic, 1 in 10 employees experienced bereavement of any type (i.e. any family member or friend) at any one time.⁹ During the pandemic, an estimated three million¹⁰ people faced bereavement each year and nearly two million¹¹ people in employment suffered intense grief per year. Intense grief impairs an employee's ability to work and puts individuals at risk of related physical and psychological conditions. Many bereaved individuals find they are temporarily unable to perform their job effectively or will need time away from work to grieve with other family members. More than half (56%) of employees would consider leaving their employer if treated badly following a bereavement. It is estimated that, of the nearly two million people experiencing intense grief while in employment, around 5% will leave their jobs after six months and not work for the remainder of the year.¹²
37. Research suggests that supportive workplaces are likely to help the process of grieving and make an employee's return to work easier and more sustainable. Evidence on the provision of leave following the death of a child demonstrates the likely improvement of an employee's experience as they return to work through feeling more valued, increased commitment to the organisation, and being more productive than they would have been otherwise. This assumption could also be reasonably applied to the death of other family members. In addition, disregarding loss and grief in the workplace can undermine the efficiency and effectiveness (and therefore reputation) of the organisation. Consultation with employer representatives revealed business benefits from providing time off to grieve, including better health and wellbeing of their workforce and increased moral and engagement of their employees.¹³
38. Bereavement costs the UK economy an estimated £23bn a year in lost Gross Value Added (GVA) and costs the UK Treasury an estimated £8bn in reduced tax revenues, increased healthcare costs and income support payments.¹⁴ The combination of time not working (absenteeism) and being at work but not being able to work at full capacity (presenteeism) as the result of a bereavement, has significant impacts on: employer revenue and profit, employee income, tax revenues, and total UK GVA.¹⁵ In the modelling by Sue Ryder, the majority of the economic costs arises from presenteeism, rather than the time away from work.
39. In the absence of a statutory entitlement to Bereavement Leave for non-parents, provisions vary quite considerably. In 2022, the CIPD¹⁶ surveyed 1,006 HR professionals and found that 75% would support an employee to take paid time off work following the death of a close relation; they also found that 80% already provide paid bereavement leave (commonly up to 5 days) to their employees. However, according to a report by Marie Curie¹⁷ which surveyed 400+ HR professionals and 1,000 employees who'd been bereaved in the previous 12 months, only 1 in 3 employers had a bereavement policy, with many underestimating the impact of bereavement on the workforce. In addition, the survey found that one in four employees

⁹ [A Guide to Compassionate Bereavement Support](#), CIPD, Feb 2021

¹⁰ [Introducing the UK Commission on Bereavement](#), The UK Commission on Bereavement, 2024

¹¹ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

¹² [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

¹³ [Parental Bereavement Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, May 2018

¹⁴ [Grief in the workplace](#), Sue Ryder, 2019

¹⁵ [Grief in the workplace](#), Sue Ryder, 2019

¹⁶ Using a survey of 1,006 HR professionals and decision-makers, conducted by YouGov for the CIPD: [Three quarters of employers support extending paid bereavement leave to close family members](#), CIPD research finds, CIPD, Mar 2022

¹⁷ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

surveyed could not access a bereavement policy and almost one-third weren't clear about how much time off they were entitled to. Over half (54%) worried that taking time off would affect their job security and 43% felt pressured to return to work before they were ready.

40. The Government intervenes in the labour market to extend individual employment rights for **equity and efficiency reasons**. A well-functioning labour market provides necessary rights and protections, to support the wellbeing of employees whilst also empowering business to operate competitively.
41. By introducing a day one right to statutory Bereavement Leave employees who may not currently receive leave from their employer following the death of a loved one, have the choice to take time off to grieve. This benefits society as employees are likely to remain satisfied, engaged and productive, leading to a healthy workforce with a continued attachment to the labour market. Without minimum statutory entitlements in this area, there may only be weak incentives for employers to provide a similar standard of leave due to the costs they would face. In these circumstances the societal benefits of leave would not be realised. A provision of minimum standards for bereavement leaves sets rights which employers must provide to their employees.

Policy objective

42. The aim of this proposal is to:
 - Give bereaved employees the statutory right to unpaid leave to provide protected time off work for them to grieve for the loss of a loved one.
 - Raise the standards expected from employers for ensuring that employees are given the space to grieve the loss of the loved one. Employers can build on this legislation by going further and offering occupational pay.
 - Improve job security and equality across employers, by ensuring employees have appropriate protections against facing detriment because of necessary time off for bereavement.
43. The intended outcomes are:
 - Employees have increased time away from work to grieve and be with other members of the family.
 - Employees can bring a claim to ACAS and the ET from day one if they have faced detriment by taking Bereavement Leave.
 - Reduce negative impacts which may reduce the capability of the employee's work, following a bereavement. This includes reducing absenteeism and presenteeism and improving workplace support. This helps to protect businesses from negative impacts that arise from not being able to support grieving individuals.
 - Encourage more businesses to develop their bereavement policy.

3 Description of options considered

44. The introduction of a new statutory entitlement to bereavement leave will establish a protected right to time off for employees to grieve their loss. This sets an important legal minimum and as with other entitlements, employers can build on this and enhance the offer for their employees - for example with a longer period or by offering pay.
45. The Make Work Pay manifesto commitment was for a leave entitlement only, and therefore pay was not considered at this time. However, the implementation and effectiveness of this policy will be kept under review in the usual way, including monitoring whether and how the policy design effects take-up and the extent to which employers offer enhancements.

46. As this is a manifesto commitment, a long list of policy options was not developed for this IA. However, consideration was given to non-regulatory options and the inclusion of small and micro businesses exemption.
47. As stated earlier in the options assessment, a non-regulatory reform would be unlikely to meet the intended objective of the policy to ensure employees have appropriate protections and enable businesses to develop their bereavement policy.
48. The preferred option is expected to be applied to businesses of all sizes, including small and micro businesses, in line with the principle that all employees deserve time off work to grieve the loss of a loved one, irrespective of the size of the organisation they work for. While it is recognised that smaller businesses may face disproportionate challenges due to their limited resources, the broader societal benefits of increased job security and fairness in the labour market justify the policy's scope. Additionally, this policy change aims to prevent potential abuses that may disproportionately affect employees in smaller businesses, where employment practices may be less formal.
49. Estimated costs are highly uncertain and sensitive to several policy design decisions which are yet to be finalised. These include which relationships will be in scope of bereavement leave and the length of the leave entitlement.
50. The final approach will be set out in secondary legislation following consultation however for the purpose of this Impact assessment, illustrative examples for two policy options have been estimated:
 - a. Scenario 1, based on **one** week available to close family members – Adult Children, Partners, Siblings, Parents.
 - b. Scenario 2, based on **two** weeks available to a broad definition of family – Adult Children, Partners, Siblings, Parents, Grandparents, Grandchildren, Step-parents, Step-siblings, Half-siblings.
51. The estimates of the costs associated with the options are sensitive to estimations and the assumptions for the family composition and the take-up rates. These will be outlined further in the costs and benefits to business calculations section.

Summary and preferred option with description of implementation plan

52. Preferred option: Introduce a new statutory right to day one Bereavement Leave enacted through the Employment Rights Bill and define the detail of the entitlement, including the relationships in scope and duration of the leave in secondary legislation:
 - Use the Employment Rights Bill to introduce a right to Bereavement Leave for all employees based on a similar legislative framework to that for Parental Bereavement Leave which includes delegated powers.
 - Use the delegated powers to define the detail of the entitlement through secondary legislation, following consultation of stakeholders. Details to be defined could include the relationships within scope, and the duration of the leave. It is proposed that this entitlement would cover the loss of a loved one, and that the entitlement will extend to employees only.
53. The preferred option is based on the framework for parental bereavement leave and achieves the objectives by:
 - Giving employees the statutory right to unpaid bereavement leave to grieve the loss of loved one from day one.
 - Increasing the eligibility and take-up of bereavement leave for all employees.

- Rising the standards expected from employers for ensuring that employees are given the space to grieve. Employers can build on this legislation by going further and offering occupational pay.
By ensuring employees have appropriate protections against facing detriment because of necessary time off for bereavement, the option improves job security and equality across employers.

54. The preferred option will use a staggered approach following the use of the Employment Rights Bill to introduce primary legislation on Bereavement Leave. After the primary legislation, the government will consult on the detail of the policy where views will be gathered from those impacted, including employers. This period will give employers enough time ahead of full implementation to understand the entitlement and what government are intending to implement within secondary legislation and test it within their organisations before the legislation comes into force.

NPSV: monetised and non-monetised costs and benefits of each shortlist option (including administrative burden)

55. As highlighted in paragraph 50, for the purpose of this impact assessment, two scenarios are outlined to calculate illustrative monetised costs:

- Scenario 1, based on **one** week available to close family members – Adult Children, Partners, Siblings, Parents.
- Scenario 2, based on **two** weeks available to a broad definition of family – Adult Children, Partners, Siblings, Parents, Grandparents, Grandchildren, Stepparents, Stepsiblings, Half-siblings.

56. Impact on businesses is expected to be net negative and mainly driven by the costs associated with reorganisation costs, familiarisation costs.

57. The impact on households is expected to be net positive and driven by wellbeing benefits arising from those employees that face a bereavement and take-up bereavement leave.

58. There may be wider economic impacts (both positive and negative). Overall, we expect the impact will be positive. Although unmonetised, individuals who choose to take unpaid bereavement leave must value it, at least, to the level of their normal weekly pay (which is likely greater than the weekly reorganisation costs per employee experienced by businesses). Moreover, we might expect wider benefits to individuals/household not just the employee taking leave (for example, benefits to supporting other during bereavement and helping them to return to work). Therefore, these reforms are expected to deliver a net positive total welfare impact.

Costs and benefits to business calculations

59. The following sections firstly present the method and calculations for the estimates of costs from the illustrative scenarios. Secondly this section discusses qualitatively the (non-monetised) benefits from the policy.

60. The costs associated to the policy are expected to be one-off familiarisation costs, and recurring annual costs to business from administering the Bereavement Leave. The costs are

summarised in the Table 1. Potential costs from additional ET and ACAS cases are not included as they are expected to be negligible, this analysis is discussed in paragraph 116-127.

Table 1: Illustrative estimates of monetised costs to businesses

	Scenario 1	Scenario 2
One-off Costs		
Familiarisation Costs	£46.9m	£46.9m
Total One-off Costs	£46.9m	£46.9m
Annual Costs		
Reorganisation Costs	£20.5m	£63.2m
Administration Costs	£0.5m	£1.0m
Total Annual Costs	£21.0m	£64.2m

Familiarisation costs

61. Typically, any new employment legislation, introduces costs to business, at least in the short-term. Familiarisation costs for businesses cover time needed to understand how their own schemes interact with the statutory provision, to update internal guidance and systems and disseminating this to staff, and to access specialised advice (for example, consulting a lawyer or ACAS guidance).
62. It is important to note that this legislation is intended to share many of the features of the existing Parental Bereavement Leave policy, which could reduce some of the familiarisation time. In addition, some businesses may already have Bereavement Leave policy in place, which could also reduce familiarisation time. This is supported by evidence gathered during the previous consultation for the Parental Bereavement Leave and Pay IA.¹⁸ As a result, **familiarisation time has been assumed to be 1 hour.**
63. There are c. **1,470,000 employers in scope.**¹⁹ We assume that the number of employers is the same as in 2023 from the DBT Business population estimates for the UK (excluding Northern Irish businesses and businesses with zero employees.)²⁰
64. **Labour cost** of those familiarising themselves with the policy are estimated to be **£31.83.** Labour cost is calculated based on the value of the median hourly wage rate of human resource managers and directors (£26.31) from the 2023 Annual Survey of Hours and Earnings (ASHE).²¹ The wage is then multiplied by the UK non-wage labour costs as a percentage of wages (21.0%),²² which gives a rate of £31.83 per hour.

¹⁸ [Parental Bereavement Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, May 2018

¹⁹ [Business population estimates 2023](#), Department for Business and Trade, Oct 2023

²⁰ To remove businesses with zero employees, we have used the ratio of businesses with zero employees in the private sector and applied it to the whole economy. Private sector businesses make up the vast majority of the business population, so aggregate results are not strongly affected by this.

²¹ [Annual Survey of Hours and Earnings \(ASHE\)](#), ONS, Mar 2023

²² DBT analyst calculations using data from ONS, 2024: [UK sector \(S.1\): Employers' social contribution \(D.12\): Resources: Current price: £million: Not seasonally adjusted](#) and

65. As a result, we estimated **total familiarisation costs** to be **£46.9m**.

Table 2: Familiarisation costs for businesses

Number of firms	Assumed Time (hrs)	Wage and non- wage cost (per hour)	Total Costs
1,470,000	1	£31.83	£46.9m

Reorganisation Costs for Businesses

66. This section is structured as follows:

- a. Firstly, we estimate the average number of working age bereaved close loved ones each year. This is achieved by:
 - Estimating when key life milestones occur to determine when on average people have key relationships such as having children and having a partner. This will inform the relationships we can expect from the deceased age band and the age of the bereaved.
 - Estimating typical family composition to estimate the number of people affected by each instance of bereavement.
- b. Secondly, we estimate whether the bereaved each year are eligible for Bereavement Leave (i.e., an employee) using the age of the bereaved estimation
- c. Thirdly, we estimate the share of those eligible that would take Bereavement Leave by estimating take-up of the policy.
- d. Then we calculate the reorganisation costs that the business incurs using a unit cost for one week reorganisation cost per employee that takes Bereavement Leave.

Population impacted: Estimated number of close-family members affected by bereavement

67. To calculate the costs of bereavement leave, we have estimated the number of employees that face bereavement of a 'close family' member in a year. To do this, we have used data on the number of deaths registered in England, Scotland and Wales in 2023, published by the ONS²³ and National Records of Scotland²⁴ and taken the following steps:
1. First, we estimate the average number of working-age bereaved family members in relation to registered deaths by the age of the deceased.
 2. Then, applied (assumed) employment rates to estimate the number of working age bereaved individuals who are employees.
 3. Lastly, estimate the number of employees that will take-up Bereavement Leave, using take-up rate evidence from comparable entitlements.
68. The estimated impacts of bereavement leave are highly sensitive to the assumptions on family composition and take-up rates. This is a risk we are aware of and discuss in more detail throughout. Some of the key assumptions will be tested during consultation and where needed will inform any subsequent impact assessments related to the secondary legislation.
69. The registered deaths data presents deaths by age band, typically spanning five-year age bands (e.g. 'under 1 year', '1 to 4 years', '5-9 years', '10-14 years' until 89 years and then a 90+ category). This is the starting point of the analysis, we then make some high-level assumptions on the likely age of close family members in relation to the deceased.

[https://www.ons.gov.uk/economy/grossdomesticproductgdp/timeseries/nqbi/ukeaUK sector \(S.1\): Wages and salaries \(D.11\): Resources: Current price: £million: Not seasonally adjusted](https://www.ons.gov.uk/economy/grossdomesticproductgdp/timeseries/nqbi/ukeaUK%20sector%20(S.1):%20Wages%20and%20salaries%20(D.11):%20Resources:%20Current%20price:%20£million:%20Not%20seasonally%20adjusted)

²³ [Deaths registered summary statistics, England and Wales](#), ONS, May 2024

²⁴ [Deaths Time Series Data](#), National Records of Scotland, July 2024

70. The number of the deaths have been adjusted to reflect the deaths of 0-18 yrs olds on the basis that these bereavements will already be accounted for by Statutory Parental Bereavement Leave which came into force in April 2020.²⁵

Key milestones and Age related assumptions

71. This section outlines the assumptions on the age bands of key life milestones which are used to determine when relationships start. This approach has been taken informed by evidence. For example, we assume that the average age of mothers and fathers when they have their first child is 30 years old (the lowest age within the age band). Therefore, a death of an individual aged 30-34 years would mean a potential bereavement for a child in the 0–4-year age band. As such a death of an individual at 60-64 years could potentially mean a bereavement for their adult children aged 30-34 years, and so on.
72. The age band assumptions are given in the Table 3 below (please note that many of the assumptions below are informed by data from England and Wales. Scotland is assumed to face similar trends):

Table 3: Summary of assumptions for the age bands of when family relationships start

Category	Assumption	Source	Reasoning
Parent	Starts Aged 30 to 34 years	Birth characteristics in England and Wales: 2021 , ONS, Jan 2023	In 2021, the average age of mothers who gave birth in England and Wales increased to 30.9 years, while the average age of fathers remained at 33.7 years
Grandparent	Starts Aged 60 to 65 years	Milestones: journeying through modern life , ONS, Apr 2024	In the Understanding Society²⁶ survey 2021 to 2022, more than half of people were grandparents by age 65
Retirement	Starts Aged 65 to 69 years	Milestones: journeying through modern life , ONS, Apr 2024	In 2021, average retirement age was 66 for both men and women.
Partner	Starts aged 30 to 34 years	Marriages in England and Wales: 2021 and 2022 , ONS, Jun 2024	Based off the average (median) age of opposite-sex marriage, which is 32.7 years for males and 31.2 years for females. For same-sex marriage (and first legal partnership), the median ages for men and women were higher at 36.2 years and 32.6 years, respectively.

73. Furthermore, based on ONS evidence both siblings²⁷ and partners²⁸ are assumed to fall within the same age band of the deceased. As a result, the age of the relationship to the deceased is given in the Table 4 below. Please note that partner relationships are assumed to start when aged 30 to 34 years, therefore, for the purpose of the analysis, no bereaved partners are assumed before 30 years. However, there are very low numbers of deaths for people below

²⁵ As the age categories span from 15-19 years, only deaths from the categories related to 0-14 years have been removed from the data to make sure that the costs are keeping an upper bound approach. However, the impact on the population in scope and therefore the costs are only marginally impacted by the 15-19 years age category.

²⁶ [The UK Household Longitudinal Study](#), Understanding Society, 2024

²⁷ [Milestones: journeying through adulthood](#), ONS, Dec 2019

²⁸ [People's living arrangements in England and Wales: Census 2021](#), ONS, Feb 2023

30, so we expect excluding partners below the age of 30 makes a negligible difference to the analysis.

Table 4: Estimated start of the relationship

Box colour signifies following assumption.	Bereaved family member of employment age
	No bereaved family member or no bereaved family member of working age

Age of deceased	Assumed minimum age band of bereaved family member					
	Bereaved Child	Bereaved Partner	Bereaved Sibling	Bereaved Parents	Bereaved Grandparents	Bereaved Grandchild
Aged under 1 year	-	-	-	Aged 30 to 34 years	Aged 60 to 64 years	-
Aged 01 to 04 years	-	-	Aged 01 to 04 years	Aged 30 to 34 years	Aged 60 to 64 years	-
Aged 05 to 09 years	-	-	Aged 05 to 09 years	Aged 35 to 39 years	Aged 65 to 69 years	-
Aged 10 to 14 years	-	-	Aged 10 to 14 years	Aged 40 to 44 years	Aged 70 to 74 years	-
Aged 15 to 19 years	-	-	Aged 15 to 19 years	Aged 45 to 49 years	Aged 75 to 79 years	-
Aged 20 to 24 years	-	-	Aged 20 to 24 years	Aged 50 to 54 years	Aged 80 to 84 years	-
Aged 25 to 29 years	-	-	Aged 25 to 29 years	Aged 55 to 59 years	Aged 85 to 89 years	-
Aged 30 to 34 years	Aged 0 to 04 years	Aged 30 to 34 years	Aged 30 to 34 years	Aged 60 to 64 years	Aged 90 years and above	-
Aged 35 to 39 years	Aged 05 to 09 years	Aged 35 to 39 years	Aged 35 to 39 years	Aged 65 to 69 years	-	-
Aged 40 to 44 years	Aged 10 to 14 years	Aged 40 to 44 years	Aged 40 to 44 years	Aged 70 to 74 years	-	-
Aged 45 to 49 years	Aged 15 to 19 years	Aged 45 to 49 years	Aged 45 to 49 years	Aged 75 to 79 years	-	-
Aged 50 to 54 years	Aged 20 to 24 years	Aged 50 to 54 years	Aged 50 to 54 years	Aged 80 to 84 years	-	-
Aged 55 to 59 years	Aged 25 to 29 years	Aged 55 to 59 years	Aged 55 to 59 years	Aged 85 to 89 years	-	-
Aged 60 to 64 years	Aged 30 to 34 years	Aged 60 to 64 years	Aged 60 to 64 years	Aged 90 years and above	-	Aged 0 to 04 years
Aged 65 to 69 years	Aged 35 to 39 years	Aged 65 to 69 years	Aged 65 to 69 years	-	-	Aged 05 to 09 years
Aged 70 to 74 years	Aged 40 to 44 years	Aged 70 to 74 years	Aged 70 to 74 years	-	-	Aged 10 to 14 years
Aged 75 to 79 years	Aged 45 to 49 years	Aged 75 to 79 years	Aged 75 to 79 years	-	-	Aged 15 to 19 years
Aged 80 to 84 years	Aged 50 to 54 years	Aged 80 to 84 years	Aged 80 to 84 years	-	-	Aged 20 to 24 years
Aged 85 to 89 years	Aged 55 to 59 years	Aged 85 to 89 years	Aged 85 to 89 years	-	-	Aged 25 to 29 years

Aged 90 years and above	Aged 60 to 64 years	Aged 90 years and above	Aged 90 years and above	-	-	Aged 30 to 34 years
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74. Where the deceased is in the age bracket of 50 to 54 years, they are assumed to have children aged 20 to 24 years (i.e. around 30 years younger than themselves). As the age categories do not align directly with those from the ONS data for the employment rates, the start of employment is assumed to be at the age band of 15 to 19 years. As such, people aged 20 to 24 years old are assumed not to have children or a partner, but are assumed to have a sibling, parents, and grandparents.
75. Assumptions on family composition will be used to see how many of those relationships are expected to occur.

Family composition assumptions

76. This section sets out the assumptions on family composition for the purpose of defining the number of relationships that a deceased is leaving bereaved.
77. Most of the data available on family relationships are typically based on a definition of *household* composition. This captures the number of people in a household rather than at a wider family level which could involve multiple households. This is an important distinction as individuals need not live in the same household as the deceased, in order to qualify for bereavement leave (e.g. adult children may not live with parents or grandparents).
78. Estimating the breadth and complexity of family relationships is challenging and we have attempted to simplify some of this for the purpose of the analysis. Family structure has gradually changed over the last 20 years, with fewer ‘traditional’ nuclear family units.²⁹ There is not a standard government definition of a ‘family’ and it can include some of the following, non-exhaustive, categories;
- couple relationships (including same-sex couples), married partners, civil partnerships, co-habitees and those living apart together (2 partners who regard themselves as a couple but are not co-habiting)
 - relationships in separated families, including between children and any parent they may no longer reside with, as well as relationships with extended family, especially grandparents
 - parent and step-parent to child relationships
 - relationships with foster children and adopted children
 - sibling relationships
 - children’s relationship with their grandparents
 - kinship carers – relatives or friends looking after children who cannot live with their parents
 - extended families, particularly where they play a role in raising children or caring for older or disabled family members
79. A reasonable starting position to estimate the average family composition is the “nuclear family” model, see an example of this in Table 5.

Table 5: Composition of a ‘traditional’ nuclear family

Children	Partners	Siblings	Parents	Grandparents	Grandchildren
2	1	1	2	4	4

²⁹ [Children’s Commissioner for England launches preliminary findings of The Family Review at Policy Exchange](#), Children’s Commissioner, Sep 2022

80. However, the nuclear family model does not reflect either the variation in size or composition of family structures in Great Britain. For example, evidence from the Children's Commissioner suggests that of the 8.2 million families with children in the UK, 23% are headed by a lone parent and 10% of families are blended families. In terms of size, 42% of families have one child, 42% have two children and 15% have three or more children.³⁰
81. In light of this, adjustments to the 'nuclear family' starting assumption for the following groups, were considered:
4. The average number of children of a deceased individual
 5. The average number of partners of a deceased individual
 6. The average number of siblings and step-siblings of a deceased individual

Adjustment to number of children

82. Although the total fertility rate (TFR) decreased to 1.49 children per woman in 2022,³¹ the assumption of **an average of two children per bereavement (for relevant bereavement age groups) was deemed appropriate** given the average TFR for the last 65 years is 2.0 (to 1.d.p). Please note, for proportionality, the mean average TFR was not weighted for the age of employees.

Adjustment to Partners

83. Data from the ONS³² suggests that the percentage of those living in a couple between the ages 20 and 40 is less than 100%, peaking at 71.1% for those aged 40 (with younger ages having typically lower proportions) - this only relates to the percentage of individuals living in a couple as part of the same household.
84. Furthermore, while 16% of families are headed by a lone parent,³³ there will be situations where bereavement impacts ex-partners (e.g. where an ex-partner needs to support any bereaved children). Similarly, the data does not capture the relationships that individuals have across households.
85. Given the uncertainty of the context of relationships affected by bereavement (and the scope of eligibility for bereavement leave) **the analysis opted against deviating away from the nuclear family assumption of one partner per bereavement** (for those within specific age bands). This also ensures a maximalist approach.

Adjustment to Siblings

86. ONS data suggests that the average number of dependent children per family in England and Wales in 2023 is 1.7.³⁴ This would suggest that the average number of siblings is 0.85 (half of 1.7) but to avoid spurious accuracy the **analysis takes a cautious approach and continues to assume 1 bereaved sibling on average to capture the maximum impact**.

Adjustment to account for stepfamilies

87. The nuclear family assumption does not reflect increasingly common step-parent, step-sibling and half-sibling relationships. Blended families are defined as "a step-family which contains a couple and at least two children. At least one child in the family must have a parental

³⁰ [Children's Commissioner for England launches preliminary findings of The Family Review at Policy Exchange](#), Children's Commissioner, Sep 2022

³¹ [Births in England and Wales: 2022 \(refreshed populations\)](#), ONS, Feb 2024

³² [Milestones: journeying through modern life](#), ONS, Apr 2024

³³ [Families and households in the UK: 2023](#), ONS, May 2024

³⁴ [Average number of dependent children per family, England and Wales, 2019, 2022 and 2023](#), ONS, July 2024

relationship with both members of the couple, and the other child or children must have a step-parent relationship with one member of the couple.”³⁵

88. The ONS estimate there were 1.1 million dependent children (equivalent to 8.8%) who lived in step-families in 2021.³⁶ Using this evidence, if we assume that 8.8% of an average of 2 parents per bereavement are step-parent relationships then we find **an average of 0.18 step-parents in Great Britain.**
89. To account for the potential of step-sibling and half-sibling relationships impacted by bereavement, **we have again assumed an average of 0.18 step-siblings/half siblings in Great Britain.**
90. We recognise that this may be a slightly higher estimate as there will be some stepfamilies that are not part of a ‘blended family’ (i.e. not all dependent children in stepfamilies are stepchildren). However, while this simplified approach lacks precision it does attempts to capture an upper bound estimate of the affected population.

Table 6: Assumption on the average family for the inclusion of step-parents and siblings and half-siblings

Step-parents	Step-siblings and Half-siblings
2 parents average x 8.8% dependent children in step-families = 0.18	1 sibling average x 0.18 dependent children in step-families = 0.18

Other family relationships

91. While we recognise that the traditional nuclear family does not reflect the family composition of the UK. To capture other relationships, we assume no deviation from the traditional nuclear family of two parents and four grandparents. We also recognise that as people get older it is unlikely that they will have two parents and four grandparents. Due to the way the illustrative costs are constructed and the lack of evidence in this area, it not deemed proportionate to calculate a decline from previous bereavement.
92. As shown earlier have assumed two children per family, we assume that each grandparent will have four grandchildren.

Table 7: Average Number of Family Relationships for a bereaved employee

Children	Partners	Siblings	Parents	Grandparents	Grandchildren	Step-parents	Step-siblings and Half-siblings
2	1	1	2	4	4	0.18	0.18

Please note that Table 7 above uses an illustrative estimate of the average number of family relationships for a bereaved employee across all age groups (of deceased). The figures used in the underlying analysis model differ according to the age band of deceased.

93. While we appreciate that the family composition in the UK does not reflect the ‘traditional’ nuclear family composition, the evidence has been insufficient to deviate away from those relationships on average. Therefore, we maintain the ‘traditional’ nuclear family assumption except for step-parents, and step-siblings and halvesiblings.

³⁵ [Children in families in England and Wales: Census 2021](#), ONS, March 2024

³⁶ [Children in families in England and Wales: Census 2021](#), ONS, March 2024

Eligibility to Bereavement Leave

94. Assumptions on family composition will be used to estimate how many of those relationships are employees to determine the population that are eligible for Bereavement Leave.
95. To identify the number of close family members in scope of a bereavement leave entitlement, we use the Labour Force Survey for Feb-Apr 2024 to get the proportion of all those in employment and employees. The purpose here is to isolate those that are employees away from other forms of employment such as self-employment.
96. To construct an employee rate (rather than the employment rate from the ONS³⁷), the proportion of 'employees' specifically among all those in employment is applied to the employment rate of the different age bands. The employee rate is applied to the population of bereaved individuals to provide illustrative estimates of the eligible population.
97. For the population in scope, the start of employment is assumed to be 16. However, this does not align precisely with the data for deaths by age in the ONS³⁸ and National Records of Scotland.³⁹ While we would expect employment to start officially at 16, for simplicity the rates of employment that are assumed for the category 15 to 19 years has been assumed at the rate for those for 16-17 years old. Furthermore, the rates of employment that are assumed for the category 20 to 24 years has been assumed at the rate for those for 18-24 years old. The deaths by age go into more granular age groupings (every 5 years) than the data for employment (where after 24 years old go into groups of 10 to 15 years till 65+).

Table 8: Assumed employment and employee rates by age grouping

Age grouping	Assumed Employment Rate (%) by age group	Assumed Employee Rate (%) by age group
Aged 15 to 19 years	22%	19%
Aged 20 to 24 years	59%	51%
Aged 25 to 29 years	83%	72%
Aged 30 to 34 years	83%	72%
Aged 35 to 39 years	85%	74%
Aged 40 to 44 years	85%	74%
Aged 45 to 49 years	85%	74%
Aged 50 to 54 years	71%	61%
Aged 55 to 59 years	71%	61%
Aged 60 to 64 years	71%	61%

Take-up rates

98. Predicting the take-up rate for leave policies is inherently difficult and highly uncertain given the number of factors that drive decision-making including financial incentives, workplace culture, family circumstances, and the interaction with what time-off employers currently give for bereavement. As a result of the number of uncertain assumptions, the cost estimates that are derived from the eligible population and take-up rates are to be considered illustrative.
99. Illustrative estimates of the population that are eligible for Bereavement Leave are given in Table 10. In this section we apply those take-up rates to estimate how many eligible employees will go on to take Bereavement Leave, and for how long.

³⁷ [A05 SA: Employment, unemployment and economic inactivity by age group \(seasonally adjusted\)](#), ONS, Sep 2024

³⁸ [Deaths registered summary statistics, England and Wales](#), ONS, May 2024

³⁹ [Deaths Time Series Data](#), National Records of Scotland, July 2024

100. In providing an illustrative estimation of costs that may occur from implementing regulation (from the counterfactual of no regulation), any Bereavement Leave that employers currently offer is factored into the take-up rate assumption. In 2022, the CIPD surveyed 1,006 HR professionals and found that 75% would support an employee to take paid time off work following the death of a close relation; they also found that 80% already provide paid bereavement leave (commonly up to 5 days) to their employees. However, according to a report by Marie Curie which surveyed over 400 HR professionals and 1,000 employees who had been bereaved in the previous 12 months, only 1 in 3 employers had a bereavement policy. Given both the uncertainty and the likelihood employers provide between 3 and 5 days only, we have not made a separate estimate and instead reflect this issue in the take-up rate assumption. Where bereavement leave is already offered by the employer (and often paid), it is unlikely that Statutory Bereavement Leave will be taken up when it becomes available.
101. We do not have direct evidence for what take-up might look like for an unpaid right to a Bereavement Leave and instead rely on findings from the Employee Rights Survey (publication forthcoming)⁴⁰ in relation to take-up for Unpaid Parental Leave. Unpaid Parental Leave entitles qualifying parents to unpaid leave of up to 4 weeks leave per year and the leave must be taken in whole weeks (for example 1 week or 2 weeks) rather than individual days. Given the leave is unpaid (unless an employer chooses to offer paid leave) this represents a reasonable proxy for take-up of unpaid bereavement leave.
102. The survey finds that 5% of parents of children under 18 had taken Unpaid Parental Leave in last year – we will corroborate this finding with stakeholders. This analysis therefore assumes, for illustrative purposes, a take-up rate of 10% for week 1 and 5% who also take off week 2.

Table 9: Illustrative take-up rate used for Bereavement Leave

	Take-up rate
<i>Take 1 week of leave</i>	10%
<i>Also take the second week of leave</i>	5%

103. By applying the assumed take-up rates, in Table 9 above, to the estimated total number of close family members bereaved who are employees, we provide illustrative estimations of the number of close family members who take-up Bereavement Leave. From there we estimate the number of weeks taken for Bereavement Leave which form the basis of the estimated illustrative costs. These illustrative estimates are given in Table 10 below.

⁴⁰ DBT commissioned survey of over 5,500 interviews across Great Britain, achieved via a push-to-web approach. The fieldwork took place between May-Jun 2020.

Table 10: Population in scope: estimated number of employees that are eligible and take-up bereavement leave

	<i>Scenario 1 (Narrow definition of close family and max of 1 week)</i>	<i>Scenario 2 (Broader definition of close family and max of 2 weeks)</i>
<i>Estimated total no. of close family members bereaved who are employees</i>	942,000	1,939,000
<i>Take-up rate for 1 week of leave</i>	10%	
<i>Estimated total no. of close family members bereaved who take-up Bereavement Leave (1 week)</i>	94,000	194,000
<i>Take-up rate for those that also take the second week</i>	5%	
<i>Estimated total no. of close family members bereaved who also take-up Bereavement Leave (2 weeks)</i>	N/a	97,000
<i>Total number of weeks of Bereavement Leave taken.</i>	94,000	291,000

104. Illustrative estimates of the total number of weeks of Bereavement Leave taken will be used to estimate the costs to businesses that result from employees taking up Bereavement Leave by applying a unit cost in the following section. Please note that the 'Estimated total number of close family members bereaved who take-up Bereavement Leave (1 week)' is the number of employees that are estimated to take up Bereavement Leave. 'Estimated total no. of close family members bereaved who also take-up Bereavement Leave (2 weeks)' are a subset of those that take one week of Bereavement Leave.

Estimating re-organisation costs

105. Re-organisation costs are those incurred by businesses due to employees in their organisation taking Bereavement leave. Re-organisation costs attempt to capture the need to reallocate work among existing staff, which could drive-up costs, either because overtime is paid to maintain output or that in reallocating work, other work is dropped, resulting in a loss of output. For longer periods of leave businesses may need to employ temporary cover which may be more expensive and/or less productive than the absent worker in the short-term, however, this is unlikely in the case of a maximum of two weeks Bereavement Leave.

106. The cost of re-organising work is difficult to measure as some costs are not directly observed, such as identifying loss of productivity. Our approach to estimating the weekly reorganisation costs is based on that used in various impact assessments (including Parental Bereavement Leave and more recently Neonatal Care Leave and Pay).⁴¹

107. To estimate the cost of reorganisation, we make use of the most recent absence cost estimates from survey on absence and workplace health published by the Confederation of British Industry (CBI).⁴² The survey found an average cost of absence of £720 per employee per year, based on an average of 5.2 days absence per employee. This figure reflects the wage costs of absence, as well as an estimate of the reorganisation costs and non-wage

⁴¹ [Parental Bereavement Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, May 2018 and [Neonatal Care Leave and Pay IA](#), Department for Business, Energy and Industrial Strategy, Feb 2022

⁴² [Time for employers to place workplace health and wellbeing front of mind - CBI/Bupa/HCA Healthcare](#), CBI Sep 2018

labour costs, such as national insurance. Failing to account for the average weekly wage costs to include National Insurance and employers' pension contributions would implicitly assume that such costs only arise in the case an employee is absent (as they are included in the absence costs), but not when the employee is present at work.

108. The 2017, the UK non-wage labour costs are 20.8%⁴³ of wage costs. Including non-wage costs, we uplift the wage costs⁴⁴ from 2017 by this percentage to derive total labour costs of £524.6 a week. Deducting this figure from the median absence cost estimate above yields a reorganisation cost of £167.7 (32.0% of labour costs).
109. In order to convert these results to 2023 prices we multiply median weekly earnings retrieved from ASHE data⁴⁵ by the non-wage uplift for 2023 (21.0%)⁴⁶. We then multiply that by the percentage found above. This results in weekly reorganisation costs per employee of £217.30.
110. The CBI figure refers to both unplanned and planned absences, while the leave considered by this policy proposal is considered to cover a short period of unplanned absence. Reorganisation costs due to unplanned absence are likely to be larger than planned absence, as the employer is not notified in advance and is unable to plan. Therefore, reorganisation costs estimated for bereavement leave may represent lower absence costs than those actually incurred if, as assumed, most cases of bereavement leave will involve little notice. Furthermore, we assume that the reorganisation cost per week is a fixed percentage of the total labour costs.
111. Finally, we recognise that there may be variation in absence costs across businesses. This is not modelled in this IA for simplicity. We would expect some businesses to have re-organisation costs above the estimated average of 32% of total labour costs, (calculated above) while some businesses might face costs significantly below.

Figure 1: Methodology to calculate the re-organisation costs per week per employee

<i>Median Absence cost = £720.0 per employee (5.2 days per year)</i>
<i>Median Absence cost per work week = [£720.0 per employee ÷ 5.2] × 5 = £692.3</i>
<i>Reorganisation costs = Total Absence Costs – Total Labour Costs</i>
<i>Total Labour Costs (2017) = Wage costs × nonwage uplift = £434.3 × 1.208 = £524.6</i>
<i>Reorganisation Costs = £692.3 – £524.6 = £167.7 (which is 32.0% of Labour Costs)</i>
<i>Conversion to 2023 prices = Median weekly earning (2023) × non-wage uplift = £561.8 × 1.210 = £679.8</i>
<i>2023 Reorganisation Costs = Total labour costs (2023) × 32.0% labour cost = £217.3</i>
<i>Total Annual Reorganisation Costs</i>
<i>= Total number of weeks of Bereavement Leave taken</i>
<i>× Weekly reorganisation costs</i>

112. The costs for the two illustrative options are provided in Table 11 by applying the total number of weeks of Bereavement Leave take-up from Table 10 to the Weekly reorganisation costs in

⁴³ [UK National Accounts, The Blue Book: 2017](#), ONS, Oct 2017

⁴⁴ [Employee earnings in the UK](#), ONS, Nov 2023

⁴⁵ [Employee earnings in the UK](#): ONS, Nov 2023

⁴⁶ This is based on internal analysis of the [UK National Accounts, The Blue Book](#): ONS; Note, this figure is different to the 20.8% reported in paragraph 108 which is referencing 2017.

Figure 1. For example, the Illustrative Annual Reorganisation Costs are given for Scenario 1 in Figure 2.

Figure 2: Methodology to calculate Illustrative Annual Reorganisation Costs for Scenario 1

<p><i>Illustrative Annual Reorganisation Costs (Scenario 1)</i></p> <p><i>= Total number of estimated weeks of Bereavement Leave taken (Scenario 1)</i></p> <p><i>* Weekly reorganisation costs</i></p> <p><i>Illustrative Annual Reorganisation Costs (Scenario 1) = 94,000 * £217.3</i></p> <p><i>Illustrative Annual Reorganisation Costs (Scenario 1) = £20.5 million</i></p>

Table 11: Annual illustrative Costs from Re-organisation (Rounded to the nearest 100,000s):

	Illustrative Annual Reorganisation Costs
<p><i>Scenario 1</i></p> <p>one week available to close family members - Children, Partners, Siblings, Parents.</p>	£20.5m
<p><i>Scenario 2</i> two weeks available to a broad definition of family - Children, Partners, Siblings, Parents, Grandparents, Grandchildren, Step-parents, Step-siblings, Half-siblings</p>	£63.2m ⁴⁷

Ongoing Administration Costs

113. Ongoing administration costs refer to the cost of administering (i.e. receiving, responding and recording) bereavement leave requests. As the Bereavement Leave is unpaid, there will be a requirement, on top of familiarisation, to make an adjustment to employees' wages following employee take-up of Bereavement Leave, which may be done automatically by payroll systems. However, the time required to organise this is assumed to be small as:
- The majority of businesses should already have HR systems to receive, record and account for periods of unpaid leave.
 - This reform is based on a similar framework to Parental Bereavement Leave so employers should already have systems in place that can be easily adapted.
 - As some businesses already offer some form of paid bereavement leave employers are already recording bereavement related absence.
114. As such the time spent on ongoing administration costs is assumed at 10 mins per request from the employee taking up Bereavement Leave. As these costs are based off the uncertain take-up rates the following costs are only for illustrative purposes.
115. The **population that take-up Bereavement Leave** is given in Table 10, with the **Labour cost** (as in paragraph 64) estimated to be **£31.83**. The costs for the two illustrative scenarios are provided in Table 12. For example, the Illustrative Annual Reorganisation Costs are given for Scenario 1 in Figure 3.

⁴⁷ Based on the population taking 1 week + the population that go on to take a second week.

Figure 3: Methodology to calculate Illustrative Annual Costs from Ongoing Administration Costs for Scenario 1

<p><i>Illustrative Annual Costs from Ongoing Administration Costs (Scenario 1)</i> <i>= Total number of estimated weeks of Bereavement Leave taken (Scenario 1)</i> <i>* Labour Cost * time spent on ongoing administration costs</i></p> <p><i>Illustrative Annual Costs from Ongoing Administration Costs (Scenario 1)</i> <i>= 94,000 * £31.83 * 10/60</i></p> <p><i>Illustrative Annual Costs from Ongoing Administration Costs (Scenario 1) = £0.5 million</i></p>
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Table 12: Annual illustrative Costs from Ongoing Administration (Rounded to the nearest 100,000s):

	Illustrative Annual Costs from Ongoing Administration
Scenario 1 one week available to close family members - Children, Partners, Siblings, Parents.	£0.5m
Scenario 2 two weeks available to a broad definition of family - Children, Partners, Siblings, Parents, Grandparents, Grandchildren, Step-parents, Step-siblings, Half-siblings	£1.0m ⁴⁸

Additional Employment Tribunal and ACAS Cases

116. We are unable to infer causality between the introduction of new legislation and changes in the number of ET claims. There are numerous factors other than implementing a statutory requirement for Bereavement Leave that would impact the number of ET cases. The analysis presented here is meant to illustrate the potential impact of the policy.
117. Given the uncertainty in estimating the eligible population in scope of bereavement leave (this analysis attempts to create a 'synthetic' population based on a number of assumptions rather than being able to draw from a data source on individuals experiencing bereavement) and predicting the number who go on to take-up bereavement leave. It is therefore challenging to reliably estimate further impacts of the policy, including those on enforcement via ACAS and the ET system.
118. However, the potential additional ET and ACAS impact can be attempted by estimating a 'jurisdictional claim per employee' which can then be applied to the (uncertain) estimate of the number of employees likely to take-up Bereavement Leave.
119. Estimated jurisdictional case per employee is estimated at 0.12%. This is based on MoJ data on the total number of ET cases for 22/23⁴⁹ (32,996) and dividing it by the estimated employee population for 22/23 from the APS (28 million). This is however based on all jurisdictions rather than a specific jurisdiction of suffering a detriment / unfair dismissal because of Bereavement Leave.

$$ET \text{ Cases per employee} = \frac{\text{Total number of ET cases for 22/23 (32,996)}}{\text{Total Employees for 22/23 (28,000,000)}} = 0.12\%$$

⁴⁸ Based on the population taking 1 week + the population that go on to take a second week.

⁴⁹ [Tribunals statistics quarterly: July to September 2023](#), MOJ, Dec 2023

120. The claims per employee are then applied to the population that have taken up the Bereavement Leave for at least one week. These are given by the scope of populations for the two options in Table 10 above. Table 13 below provides an illustrative estimate of the potential number of additional ET and ACAS cases.

121. ACAS data indicates that 68%⁵⁰ of early conciliation notifications did not progress to ET between October to December 2023.^{51;52} The number of cases ACAS is estimated to receive in respect to Bereavement Leave can be calculated by uprating the number of cases that go to ET (see Table 13 below) by the respective proportion (1/(1-68%)). This results in an uprating factor of 3.125.

Table 13: Illustrative (upper-bound) estimations of additional ET cases following an introduction of bereavement Leave (rounded to the nearest 100 cases)

	Scenario 1	Scenario 2
<i>Estimated total no. of close family members bereaved who take-up Bereavement Leave (1 week)</i>	94,000	194,000
ET cases per employee	0.12%	
Upper Bound estimate of additional ET cases	100	200
Uprating factor to calculate the number of ACAS cases	3.125	
Upper bound estimate of additional ACAS cases	300	600

122. There is uncertainty in estimating the number of cases that will arise from suffering a detriment / unfair dismissal because of Bereavement Leave as there is no specific evidence for this jurisdiction yet.

123. His Majesty's Court and Tribunal Service (HMCTS) data from 2014/15 to 2022/23⁵³ illustrates that there are 50 cases on average per year in relation to the "Suffer a detriment and/or dismissal due to requesting or taking leave for family and domestic reasons including maternity, paternity, adoption, parental bereavement, ante-natal care or carers leave or time off to assist a dependant." jurisdiction which covers the a broad population of parents taking family leave (e.g. 8.9m parents are eligible for Parental Leave). This is much higher population than the estimated population eligible to Bereavement Leave (in the range of 933,000 to 1,923,000).

124. Given these small ET case numbers seen for a much wider population in Parental Leave than for Bereavement Leave, this method supports the view that the introduction of Bereavement Leave is highly unlikely to lead to any significant increase in the number of ET Cases.

125. As a result of the evidence on Parental Leave and uncertainty in using figures based on all jurisdictions rather than specific jurisdiction associated with Bereavement Leave, the illustrative

⁵⁰ [Early conciliation and employment tribunal data for England, Scotland, and Wales: January to March 2024](#), ACAS, June 2024

⁵¹ October to December represent the most recent data available for the number of cases that did not progress to ET.

⁵² The average for the year was not taken as it would have required making assumptions and back-working calculations by ACAS, however, the rates of the outcomes being 'did not progress to ET' are fairly constant. For July to September 2023 and April to June 2023, the rates were 69% and 66% respectively.

⁵³ Available on request from [HMCTS Analysis and@justice.gov.uk](#)

estimated number of additional ET and ACAS cases demonstrated in Table 13 are assumed to be an overestimation. As a result, the Legal and Administrative costs of additional cases to the ET and ACAS are assumed to be negligible and are therefore not monetised within this impact assessment.

Costs from ACAS conciliation and Employment Tribunal awards

126. While the process of ACAS and the ET is associated with the legal costs and time of making a case, the employer may have to pay a monetary cost through settlement from ACAS conciliation and early conciliation processes, or through awards from the ET.
127. The costs of settlements and awards resulting from the additional cases would primarily affect non-compliant employers. Furthermore, the impact of the proposed policy on the number of additional ET and ACAS cases is low, and the value of the settlements and the awards varies significantly. Because of the uncertainty in those two areas, it has not been attempted to attribute a direct monetary cost from the settlements and awards.

Benefits to employers

128. Introducing Bereavement Leave will help to address presenteeism and unplanned absenteeism caused by bereavement, as employees will have a designated time to cope with their loss, leading to fewer disruptions in the workplace.⁵⁴ Bereavement-related absenteeism and presenteeism, where employees are at work but not fully functioning, can have a negative impact on employers' revenue.
129. In addition, by providing adequate bereavement leave, employers can help employees process their loss, improve morale, and foster a better workplace culture. This, in turn, can enhance loyalty and retention and ensure employees are able to return to work focused and productive. According to survey evidence, more than half (56%) of employees would consider leaving their employer if treated badly following a bereavement. It is estimated that, of people experiencing intense grief while in employment around 5% will leave their jobs after six months and not work for the remainder of the year.⁵⁵ This evidence suggests that the policy can contribute to increasing staff retention and reducing the risk of employees leaving their job following a period of bereavement.
130. According to a report by Marie Curie⁵⁶ only 1 in 3 employers had a bereavement policy, with many underestimating the impact of bereavement on the workforce. The same survey also found that a third of employers would welcome guidance on how they can better support bereaved staff.

Impact on small and micro businesses

131. The proposed policy option is expected to be applied to businesses of all sizes, including small and micro businesses, in line with the principle that all employees deserve time off to grieve for bereavement, irrespective of the size of the organisation they work for. While it is recognised that smaller businesses may face disproportionate challenges due to their limited resources, the broader societal benefits of increased worker security and fairness in the labour market justify the policy's scope.
132. As a result, exempting the small and micro businesses from the policy would undermine the policy objective of providing more equity in the provision of a Bereavement Leave. Actions

⁵⁴ [Grief in the workplace](#), Sue Ryder, 2019

⁵⁵ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

⁵⁶ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

could be taken to support SMEs, including consultation which explores small business concerns and specific guidance to support small and micro businesses.

133. Using Business population statistics,⁵⁷ we estimate that around 96% of businesses affected are small and micro business and these businesses account for 29% of employees.

Table 14: A breakdown of firm size

Firm size (number of employees)	Number of firms (Great Britain only)	Number of employees (UK wide)
1 ^(a)	126,500	134,000
2-4	778,400	2,071,000
5-9	283,000	1,895,000
10-19	149,700	2,069,000
20-49	82,500	2,539,000
50-99	26,700	1,887,000
100-199	12,100	1,717,000
200-249	2,600	592,000
250-499	5,200	1,811,000
500+	5,600	15,352,000
Total	1,472,200	30,067,000
Total in small and microbusinesses	1,420,100	8,708,000
Share in small and micro-businesses	96%	29%

Costs to Businesses from Familiarisation costs

134. Larger businesses are expected to have a higher probability of experiencing an employee taking Bereavement Leave simply due to the larger number of people in their workforce. Evidence from the consultation with employer representatives for the Parental Bereavement leave IA suggests that small and medium size businesses (fewer than 50 employees) will only familiarise themselves fully with the legislation as and when they really need to (i.e., when the leave is requested). In contrast, it is likely that larger businesses will invest more time in familiarisation at the point the legislation is introduced as they will have dedicated HR departments responsible for understanding and articulating changes to employment law routinely, as and when they occur.

Costs to Businesses from Re-organisation

135. While we recognise that there may be variation in increased absence costs from the introduction of Bereavement Leave across businesses, we do not model the impact due to uncertainty about the take-up rates across business sizes.
136. When employees do take bereavement leave, SMEs will be impacted from unplanned absences to a greater extent as they have limited resources compared to larger businesses. Small and micro employers may have less capacity to re-allocate the work among existing staff compared to larger businesses (250 employees or more).

Costs of additional ET and ACAS cases

137. While the introduction of Bereavement Leave is highly unlikely to lead to any significant increase in the number of ET Cases, in this section, we cover whether small and micro

⁵⁷ [Business population estimates 2023](#), Department for Business and Trade, Oct 2023

businesses are disproportionately affected by ET impacts. This will be viewed from the perspective of caseload in comparison to population working in SMEs, ET experience, insurance coverage and legal costs to businesses.

138. As it stands, small and micro businesses are slightly overrepresented in cases covering all jurisdictions at 34%⁵⁸ of ET cases compared to a share of total employees in SMEs of 29%.⁵⁹ As such, the cost to small and micro businesses is expected to be disproportionate following the proposed policy for the ET. Furthermore, it is recognised that SMEs might be less able to withstand additional costs as a result of ET fees.

Employment Tribunal Experience

139. Smaller businesses are expected to have less experience of ET cases compared with larger businesses. For example, in businesses employing fewer than 25 staff, 16% had dealt with other claims in the previous two years, comprising 9% who had dealt with one previous claim and 7% with two or more claims. In comparison, in businesses with 250 or more employers, 79% had dealt with other claims in the previous two years: 10% had dealt with one, 37% with 2-5 claims, 19% with 6-10 claims and 14% with more than 10 claims⁶⁰.

Costs and benefits to households' calculations

Costs of taking up the Bereavement Leave

140. As the Bereavement Leave entitlement is unpaid, employees will have the loss of the income from the period that they take-up the leave. However, as the take-up of the leave entitlement is optional, it is assumed that the benefits of taking up the leave must be greater for households than the loss of the income from taking up the leave.

Costs/Benefits to households from ET and ACAS cases

141. While additional ACAS and the ET cases are associated with the legal costs and time of making a case, the employee may receive a monetary benefit through settlement, from ACAS conciliation and early conciliation processes, or through awards from the ET.
142. The impact of the proposed policy on the number of additional ET and ACAS cases is low, and the value of the settlements and the awards varies significantly. Because of the uncertainty in those two areas, it has not been attempted to attribute a direct monetary cost to the additional cases and benefit from the settlements and awards. This is consistent with the earlier paragraphs 116-127. However, it is assumed that claimants would only bring a case to ACAS or the ET when the expected benefit is greater than the expected cost.

Wellbeing benefits

143. Introducing Bereavement Leave may significantly enhance employment rights and improve employee wellbeing. According to a report by Marie Curie,⁶¹ bereavement affects everyone, and common grief reactions include anxiety, symptoms of depression and a general deterioration in psychological wellbeing. Many also suffer physical health complaints, such as

⁵⁸ [Survey of employment tribunal applications 2018: Data Tables](#), Table 8.7, Department for Business and Trade, July 2020

⁵⁹ [Business population estimates 2023](#), Department for Business and Trade, Oct 2023

⁶⁰ [Survey of employment tribunal applications 2018: Data Tables](#), Table 3.2, Department for Business and Trade, July 2020

⁶¹ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

breathing difficulties, muscular pain, nausea and panic attacks. By allowing employees the time to process their grief, the policy can contribute to employees' wellbeing. As mentioned earlier in this IA, by giving employees adequate time to process their grief and manage their personal matters, they are more likely to return to work, focused and productive, and less likely to engage in absenteeism and presenteeism, which can have positive implications for their wellbeing at work.⁶² By allowing employees the time to grief, the policy might also reduce instances of employees leaving their jobs following a period of grief which, as mentioned earlier in this IA, can occur following a period of grief.

144. In addition, evidence from Marie Curie and others found that one in four employees surveyed could not access a bereavement policy and almost one-third weren't clear about how much time off they were entitled to. Over half (54%) worried that taking time off would affect their job security and 43% felt pressured to return to work before they were ready.⁶³ This suggests that the scale of benefits could be significant.

Public Sector Equality Duty

145. As a part of the Equality Act 2010, public bodies are expected to account for equality impacts. The Public Sector Equality Duty (PSED), created under the Act, considers the potential effects of intervention on individuals with 'protected' characteristics. Specifically, the PSED sets out to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - Advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - Foster good relations between people who share a protected characteristic and those who do not.
146. The PSED covers 9 protected characteristics in total: age, race, gender, disability, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership.
147. The policy is not targeted at any specific group; all employees will be eligible for bereavement leave. Particular groups may benefit more than others however we do not expect this to have a negative effect on other groups. Further to this, the scope of the policy will have implications for the impact on protected characteristics. For example, if the death of a grandparent is not included in the scope of the policy, the population entitled to bereavement leave will become older (as grandchildren would no longer be eligible). It is currently expected that certain age groups and ethnic groups may benefit more from the policy than others.

Age

148. In absolute terms, it is estimated that more people are employees in the 35-49 age group than any other age group (9.7 million).⁶⁴ As such, more people in this age group would benefit from this policy than others. However, whether this age group faces the most bereavement is dependent on the family relationship that is in scope for the policy.

⁶² [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

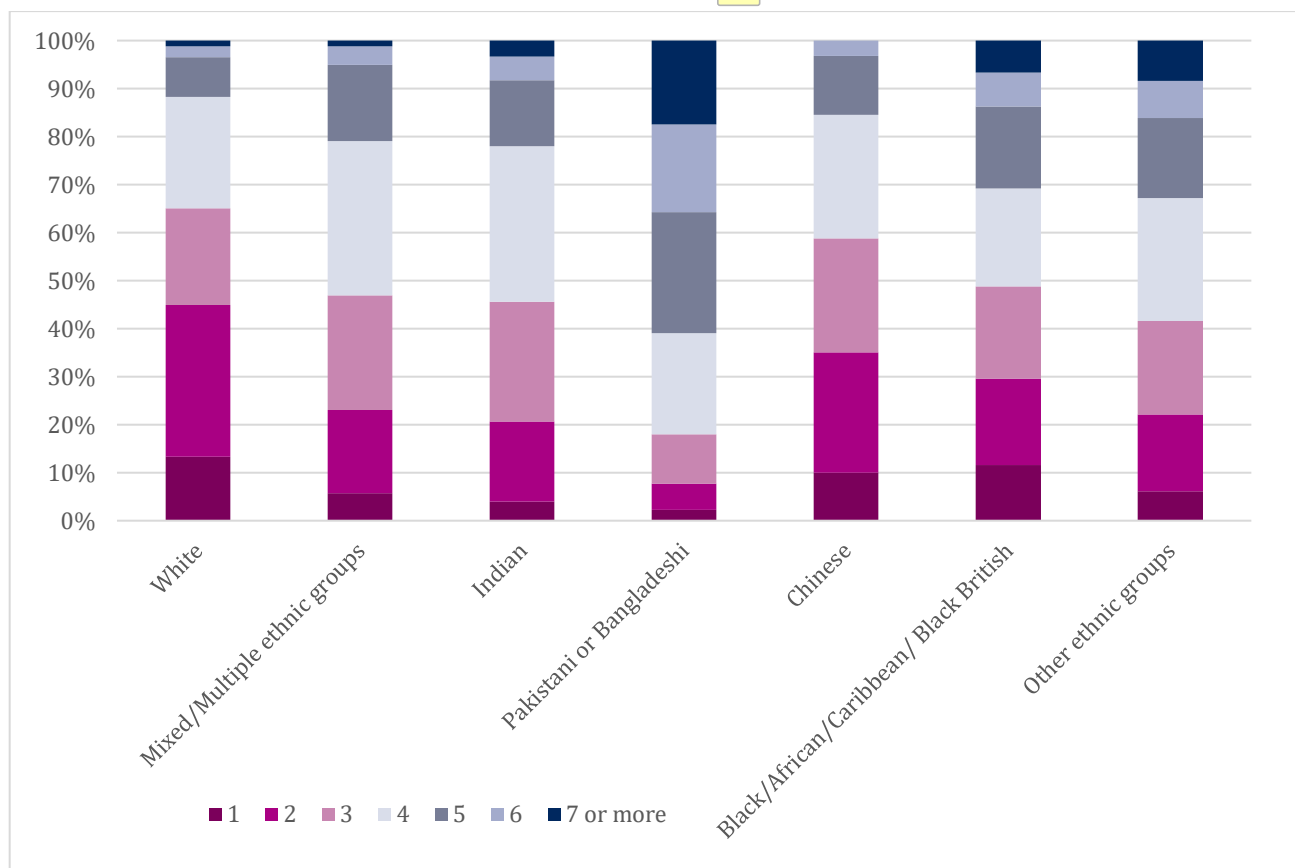
⁶³ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

⁶⁴ DBT analyst calculation off the 3 month average time period ending May-Jul 2024: '[A05 SA: Employment, unemployment and economic inactivity by age group \(seasonally adjusted\)](#)', ONS, Sept 2024 and '[EMP01 SA: Full-time, part-time and temporary workers \(seasonally adjusted\)](#)', ONS, Sept 2024

Ethnicity

149. The share of families with three or more children varies from 14% in White British families to 41% in Pakistani families and 38% in Bangladeshi families.⁶⁵ Furthermore, Figure 4 highlights that Pakistani and Bangladeshi are less likely to be composed of 1-3 people to White households and more likely to be composed of 5 or more. This suggests that Pakistani and Bangladeshi families are larger than White British Families. As such, Pakistani and Bangladeshi employees would have a higher likelihood of being entitled to take bereavement leave.

Figure 4: Estimated number of people in households by household size and ethnicity in England, 2018, DBT analyst representation of ONS⁶⁶ data



All other protected characteristics

150. The policy is unlikely to create barriers to equality in relation to an employee's, gender, disability, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership.

Income

151. Lower paid workers face challenge of taking unpaid leave, by being less able to absorb the losses caused by unpaid leave and the financial burden from losing a close loved one.⁶⁷ A survey by Marie Curie found 49% of employees reported that they couldn't afford to stay off

⁶⁵ [Children's Commissioner for England launches preliminary findings of The Family Review at Policy Exchange](#), Children's Commissioner, Sep 2022

⁶⁶ [Estimated number of people in households by household size and ethnicity, England, 2018](#), ONS, Feb 2021

⁶⁷ [Grief in the workplace](#), Sue Ryder, 2019

work and had to return to work before they were ready.⁶⁸ Lower paid workers are more likely to have complicated or persistent grief because of difficulty accessing appropriate services, information and time off from work. Additionally, lower paid workers are also at higher risk of being dismissed from work for taking time off or for presenteeism.^{69;70}

152. While we recognise the financial difficulty for those on lower pay to take-up the leave, the new statutory minimum provides more choice and protections for low paid employees, and they may also receive additional pay and support from their employer beyond the statutory minimum. More evidence is required on the take-up of the Leave entitlement and the current Bereavement leave provision for lower income groups to consider fully the disproportionate impacts.

Business environment

153. There is limited evidence to suggest that the policy will have significant impact on business investment. Increased burden on businesses might result on lower aggregate investment. However, more evidence is needed on this.
154. We do not expect the market share for products and services provided by either the private or public sector to be affected by this policy as the policy will apply to all employers.

Trade implications

155. As set out in the Better Regulation Framework guidance, all Impact Assessments must consider whether the policy measures are likely to impact on international trade and investment.
156. From a legal standpoint, the policy does not impact international trade as it is compliant with international obligations and does not have any implications for trade partners or foreign businesses operating in the UK.
157. From an economic standpoint, the impact from Bereavement Leave is on total labour costs and therefore comparative advantage will be small.
158. Furthermore, the preferred option will not introduce requirements on foreign-owned companies that go above and beyond those which are UK-owned.

Environment: Natural capital impact and decarbonisation

159. We expect that there is no or negligible impact on the environment, natural capital, and decarbonisation because of Bereavement Leave. The regulation does not directly relate to environmental or decarbonisation goals.

⁶⁸ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

⁶⁹ [Grief in the workplace](#), Sue Ryder, 2019

⁷⁰ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

Other wider impacts (consider the impacts of your proposals)

Public Sector Impacts

160. The policy is expected to impact the public sector via additional ET and ACAS cases. The costs of the ET and ACAS cases that Public Sector will incur are subject to the number of claims are submitted through time and legal fees. Consistent with the earlier paragraphs 116-127, the additional number of cases is expected to be negligible.
161. However, the policy might also lead to wider economic benefits, resulting in savings for the Exchequer. Bereavement currently costs the UK economy an estimated £22.9bn a year in lost Gross Value Added (GVA) and costs the HM Treasury an estimated £8bn in reduced tax revenues, increased healthcare costs from long-term illness, and income support payments.⁷¹ In the modelling by Sue Ryder, the majority of the economic costs arises from presenteeism, rather than the time away from work (absenteeism). From the estimate of £22.9bn a year in lost GVA, only £4.4bn is from absenteeism and £16.0bn is from presenteeism, with the remaining £2.5bn from reduced employment.⁷² By providing employees with appropriate support, the policy might contribute to minimise some of these impacts.

Risks and assumptions

162. The costs that we have presented in this document have been illustrative. As mentioned in the section on “Costs and benefits to business calculations”, this is primarily because of the complexity of estimating the number of close family relationships impacted by bereavement and the limited underlying evidence for the estimation of the potential take-up rate.
163. Additionally, the interaction between Bereavement Leave and other leave entitlements has not been estimated. For instance, how the introduction of Bereavement Leave interacts with sick leave and time off employers may give employees in special circumstances. Sick leave may potentially be taken directly to provide space for grief, but it may also be a secondary consequence of not having adequate support and time off work to grieve. In addition, it is uncertain how businesses will respond to this reform and if any existing occupational bereavement leave policies meet the requirements under this legislation (partially or in full). Where an employer already offers bereavement leave to their employees the employer costs will be less than those estimated in this analysis.
164. For the illustrative scenario estimations of the reorganisation costs to businesses, the analysis assumes that employees who have suffered a bereavement are operating at work with their normal full capacity (zero presenteeism) and productivity. However, it is likely that employees suffering from grief have reduced capacity and productivity with Marie Curie⁷³ finding that “58% of employees felt their performance was still affected by their grief months after the death of a loved one.”
165. As a result, it is likely that weekly re-organisation costs per employee related to Bereavement Leave may be somewhat overstated, as it ignores some of the costs employers already face in the form of presenteeism, absenteeism and reduced productivity in the absence of regulation

⁷¹ [Grief in the workplace](#), Sue Ryder, 2019

⁷² [Grief in the workplace](#), Sue Ryder, 2019

⁷³ [Respecting and Supporting Grief at Work](#), Marie Curie, 2021

166. A potential unintended consequence from setting a minimum standard for the Bereavement Leave is that businesses who currently have a policy and provide a bereavement leave, then reduce the provision they currently have available. Within this impact assessment it is assumed to be unlikely that this is the case for an unpaid leave and will be raising the standard for employers that don't currently have a bereavement leave policy of provision. It is expected that employers who currently provide a policy would not be given incentives to reduce entitlements but may be incentivised to increase the entitlements to maintain a differential in the perks or benefits offered to their employees.
167. Burden of proof is likely to be relatively low to ensure employees can take the leave at the appropriate time (at the point of most need). The details are yet to be agreed, and consultation evidence will inform whether proof of death/ proof of relationship to deceased will be needed. As a result, however unlikely there is a small risk of employees misusing leave (fraudulent claims) which is common risk for all statutory leave entitlements. For the proposed policy of Bereavement Leave, this is assumed to be negligible given the nature of the issue, the fact the leave is unpaid and intended for a specific purpose- time off to grieve. Employers already have experience of ensuring that leave is being taken by employees for its intended purpose (i.e. statutory paternity leave, unpaid parental leave, sick leave etc.) so are well placed to support their employees to ensure they are not inadvertently mis-used and set out the expectations and processes with respect to deliberate non-compliance.