



BRIEFING PAPER

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Bereavement Support Payment

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Summary

Bereavement benefits provide additional support to people of working age on the death of their husband, wife or civil partner. They are entirely separate from Social Fund funeral payments. From April 2001 a new system of bereavement benefits was introduced comprising the Bereavement Payment, Bereavement Allowance, and Widowed Parent's Allowance.

In 2011 the Coalition Government launched a consultation on major changes to bereavement benefits, with the aim of moving towards a simpler, more uniform structure focusing support on the period immediately following bereavement. The Government subsequently announced that it intended to replace the three existing bereavement benefits with a single benefit to be known as Bereavement Support Payment. Part 5 of the *Pensions Act 2014* introduced the new benefit in Great Britain (equivalent provision is made in the *Pensions Act (Northern Ireland) 2015*). More detailed rules are set out in the *Bereavement Support Regulations 2017*. BSP replaced the existing bereavement benefits for surviving spouses and civil partners widowed on or after 6 April 2017.

Bereavement Support Payment comprises an initial lump-sum payment of £3,500 for those with dependent children followed by 18 monthly payments of £350; and a lump-sum payment of £2,500 plus 18 monthly payments of £100 for those without children. Entitlement is determined using simplified National Insurance contribution conditions. All payments are tax-free, do not affect entitlement to other benefits including Universal Credit and do not count towards the household benefit cap. Unlike the previous bereavement benefits remarriage or re-partnering will not disqualify a person from BSP.

Stakeholders have welcomed some aspects of the new system including increased lump sums, simpler and easier to understand rules, and providing help regardless of age. There is however concern that those with children, in particular those with younger children, will be disproportionately badly affected by the new benefit as they would previously have been able to claim Widowed Parent's Allowance on an ongoing basis. The Government extended the duration of Bereavement Support Payment from 12 to 18 months in response to representations from the House of Commons Work and Pensions Committee and others, but the Childhood Bereavement Network put forward alternative cost-neutral proposals to spread payments over three years for those with children.

Other concerns voiced by organisations working with bereaved people include:

- The Government's decision not to extend BSP to people who were cohabiting but were not married or in a civil partnership.
- While the Bereavement Allowance and Widowed Parent's Allowance are updated annually in line with prices, the *Pensions Act 2014* does not require annual uprating of the BSP.
- The Universal Credit "conditionality" requirements for bereaved parents. Surviving partners in receipt of UC are not subject to any work-related requirements for the first six months following bereavement. Those with children may in certain circumstances request further temporary suspensions to the conditionality, but it is argued that this would be burdensome for families and for DWP Work Coaches alike and that bereaved parents should be exempt from conditionality for a longer period.

1. Bereavement Support Payment at a glance

Bereavement Support Payment: key facts

- Bereavement Support Payment (BSP) will be introduced across the United Kingdom on 6 April 2017
- Replaces the existing bereavement benefits – Bereavement Payment, Bereavement Allowance and Widowed Parent's Allowance
- BSP will be paid to new claimants for deaths on or after 6 April 2017 – recipients of existing bereavement benefits are unaffected
- BSP is intended to help with the more immediate costs caused by bereavement – it is not intended as an "income replacement" benefit
- Claimants with dependent children receive a lump sum of £3,500 and 18 monthly payments of £350
- Claimants without children receive a lump sum of £2,500 and 18 monthly payments of £100
- Entitlement based on simplified National Insurance contribution condition – the deceased must have paid sufficient NICs in any one year
- All payments are tax-free, do not count towards the household benefit cap, and are wholly disregarded when assessing entitlement to other benefits, including Universal Credit
- Claimant's age does not affect amount of BSP received (although as with current bereavement benefits not payable to people over State Pension Age)
- BSP is not affected if the person remarries, enters into a civil partnership or starts cohabiting with another person

2. Bereavement benefits since 2001

Bereavement benefits provide additional support to people of working age on the death of their husband, wife or civil partner. They are entirely separate from the funeral payments scheme, which provides help with funeral costs for people on low incomes in receipt of certain means-tested benefits and tax credits.¹ The current system was introduced for new claims from April 2001 and replaced the previous system of widow's benefits.²

For people bereaved after April 2001, bereavement benefits consisted of:

- **Bereavement Payment** – a £2,000 tax-free lump sum, intended to help with expenses arising on bereavement.
- **Bereavement Allowance** – a taxable weekly benefit payable for 52 weeks to people aged 45 or over on the death of their spouse or civil partner. Its purpose was to provide additional help for older men and women during the period of readjustment following bereavement, in recognition that they are less likely to have a recent link with the labour market. Payments are age-related: the maximum amount ranges from £34.11 a week for those aged 45 when their spouse/partner died, to £113.70 a week for those who were aged 55 or over (2017-18 rates).
- **Widowed Parent's Allowance** – a taxable weekly benefit worth up to £113.70 a week in 2017-18³ for spouses/civil partners responsible for a child or young person for whom they are eligible to receive Child Benefit (which is payable for young people up to the age of 16, or 20 in some cases). Payment stops once they are no longer eligible for Child Benefit, if they reach State Pension age, or if they remarry, enter into a civil partnership or start cohabiting with another person.

All three benefits were non-means-tested and depend upon the deceased spouse or civil partner having paid sufficient National Insurance contributions (NICs).⁴ A person could qualify for the Bereavement Payment if their spouse/civil partner had paid sufficient NICs in any one tax year. To receive the maximum amount of Bereavement Allowance or Widowed Parent's Allowance, the person's spouse/civil partner also had to have paid or been credited with sufficient NICs for a certain proportion of their "working life" (the period from age 16 to their death or when they reached pension age). So, for example, for a person whose working life was more than 40 years, the requisite number of years was their working life minus 5. Bereavement Allowance or WPA could be paid at a reduced rate if the

¹ For details of this scheme see Commons Library briefing SN 1419, [Social Fund Funeral Payments](#)

² For further background see Commons Library briefing SN 431, [Bereavement benefits](#)

³ It may also include additional State Pension accrued by the deceased partner

⁴ Although they can also be paid if he or she died as a result of an industrial accident or disease

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person's spouse/civil partner did not have contribution/credits for the requisite number of years.

Bereavement benefits are, and have always been, paid only to married partners of deceased persons (and, since the *Civil Partnerships Act 2004*, surviving civil partners). Successive Governments have resisted calls to extend bereavement benefits to cohabiting couples.⁵

Between 8,000 and 10,000 Bereavement Payments are made each year.⁶ At November 2016, there were 25,000 recipients of the Bereavement Allowance and 43,000 were receiving Widowed Parent's Allowance. A further 21,000 women were receiving "legacy" widows' benefits (awarded prior to April 2001), of whom 20,000 were getting Widow's Pension.⁷ Total expenditure on bereavement benefits in Great Britain is forecast to be £535 million in 2017-18 (at 2017-18 prices).⁸

Further information on the bereavement benefit reforms in 2001, and on the benefits rules in place since then, can be found in Commons Library briefing SN00431, [Bereavement benefits](#).

⁵ See for example HC Deb 29 March 2011 c250w

⁶ DWP, [Pensions Act 2014: Replacement of existing Bereavement Benefits for New Claims from April 2017 Impact Assessment](#), 9 April 2014

⁷ [DWP Quarterly Statistical Summary: May 2017](#)

⁸ DWP, [Benefit expenditure and caseload tables: Spring Budget 2017](#)

3. Bereavement benefit for the 21st century consultation

In December 2011 the Coalition Government launched a consultation on proposals for major changes to bereavement benefits, with the aim of simplifying the system by moving to a more uniform structure, with support focused on the period immediately following bereavement, as well as simplifying the contribution conditions, with a single rule irrespective of age and child dependent status.⁹

The consultation paper set out the rationale for the review as follows:

Bereavement benefits have been through a series of reforms since state protection for widows was initially introduced as part of the Widows', Orphans' and Old Age Contributory Pension Act of 1925.

The incremental nature of this change has blurred the principles behind the benefits and their function. This has resulted in a complicated payment and contribution system which, at its worst, can harm people's long term job prospects by distancing recipients from the labour market. [...]

Bereavement benefits have fallen outside recent reviews of the welfare system and state pensions. This growing isolation within the welfare landscape has precipitated the need to review the future role of bereavement benefits. [...]

The complicated payment system and eligibility conditions make it difficult for people to understand what they are entitled to receive. The ongoing nature of payments under Widowed Parent's Allowance, which can continue for up to 20 years in extreme cases, without any encouragement to maintain contact with the labour market, risks creating welfare dependency.¹⁰

The policy aims for "modernised bereavement benefits" were that:

- they should be simple to understand and to claim;
- they should provide fast, direct, financial help for immediate needs following the bereavement of a spouse or civil partner;
- they should give recipients the flexibility they need to regain control of their situation in the period immediately following bereavement;
- there should be additional support for families, to recognise the additional costs associated with raising children;
- they should allow recipients to access the financial and work focused support provided by Universal Credit at a time that is right for them; and
- they should be fair and promote self-dependency.¹¹

⁹ DWP, [Bereavement Benefit for the 21st Century](#), Cm 8221. In Northern Ireland the [Department for Social Development also launched a parallel consultation](#) in December 2011; responses to this consultation were considered alongside those submitted by organisations and individuals in England, Scotland and Wales

¹⁰ Cm 8221, Executive Summary

¹¹ Ibid

The consultation closed on 5 March 2012 and the Government published its response on 11 July 2012.¹² This announced that the Government intended to replace the three existing bereavement benefits with a new, single benefit to be known as **Bereavement Support Payment**.

The proposed benefit would have the following main features:

- It would consist of an **initial lump sum, followed by instalments**. The precise amounts, the period over which will payments will be made and their frequency would be prescribed in regulations, but provisional indicative amounts in the Government's response were:
 - **Claimant without dependent child:** lump sum of around **£2,500** and further monthly instalments of **£150** (equivalent to £34.52 per week) for one year
 - **Claimant with dependent child(ren):** lump sum of around **£5,000** and further monthly instalments of **£400** (equivalent to £92.06 per week) for one year

The initial consultation document suggested a single lump sum, with no further instalments, of as much as £6,000 (or £10,000 for those with children) as one option. However, the Government determined that there would be a "high risk of people using the Bereavement Support Payment inappropriately" if it was paid as a large lump sum.¹³ Respondents to the consultation flagged up a number of potential problems with a single lump sum, pointing out for example that newly bereaved persons may not be in the best frame of mind to make major decisions about their finances.¹⁴

- **Age** would no longer be a factor in determining entitlement to bereavement benefits, or the amount received (although as is the case now entitlement would cease at State Pension age). Currently, Bereavement Allowance is payable only to people aged 45 and over when they were bereaved, and the maximum amount received is reduced by 7% for each year they were aged under 55.
- Entitlement to Bereavement Support Payment would be determined using **simplified National Insurance contribution conditions** – people would be entitled to receive the full payment if their spouse or civil partner paid Class 1 (employee) and/or Class 2 (self-employed) contributions at 25 times the Lower Earnings Limit for **any one year** prior to their death. This is the same test as currently applies for the Bereavement Payment, although for the Bereavement Payment Class 3 (voluntary) contributions can also count.
- It would **not affect entitlement to Universal Credit**. The current bereavement benefits are taken into account fully when calculating entitlements to means-tested benefits such as Income Support and income-based JSA (the Bereavement Payment counts

¹² [Cm 8371](#) July 2012

¹³ Ibid p17

¹⁴ Ibid pp9-10

as capital) and will continue to be so under Universal Credit, thereby reducing the amount of benefit received (although there is a £10 a week disregard in place for recipients of Widowed Parent's Allowance). By contrast, Bereavement Support Payment would be disregarded in full for Universal Credit on the grounds that it is "designed to support people with the additional costs of bereavement, rather than to support everyday living costs."¹⁵

- It would be disregarded in the assessment of benefit income subject to the **household benefit cap** (unlike Bereavement Allowance and Widowed Parent's Allowance, which count towards the cap).
- **Remarriage or re-partnering** would not disqualify the bereaved individual from receiving Bereavement Support Payment, as it was intended as help with the additional costs of bereavement, rather than serving as replacement for the deceased spouse or civil partner's earnings. Currently, Widowed Parent's Allowance stops when the bereaved parent remarries, forms a civil partnership or starts cohabiting with another person.

Bereavement charities welcomed many of the changes, but a number of responses to the Government's consultation voiced concern about limiting support for bereaved parents to one year. Other responses suggested consideration should be given to extending bereavement benefits to couples living together but not married or in a civil partnership, but the Government made it clear from the outset that it had no plans to extend eligibility for bereavement benefits and that this issue lay outside the scope of the review.

¹⁵ Ibid p17

4. Pensions Bill 2013-14 proceedings

Part 5 (sections 30-32) and Schedule 16 of the [Pensions Act 2014](#) provide the legislative framework for the Bereavement Support Payment in Great Britain.

Further background to the provisions in the [Pensions Bill 2013-14](#) is given in Commons Library briefing RP 13/37, [Pensions Bill 2013-14](#). The Commons Stages of the Bill are covered in [Commons Library briefing SN06634](#), and the Lords Stages in [Commons Library briefing SN06846](#).

Commons Public Bill Committee

Representatives from Cruse Bereavement Care and the Childhood Bereavement Network gave evidence to the Public Bill Committee at its first sitting on 25 June 2013.¹⁶ The Childhood Bereavement Network also submitted written evidence to the Committee.¹⁷

The witnesses from Cruse Bereavement Care and the Childhood Bereavement Network, while welcoming some aspects of the new benefit including increased lump sums, simpler and more easy to understand rules, and giving help regardless of age, had serious concerns about the impact of the new Bereavement Support Payment on families with children, and in particular those with younger children. They welcomed the greater recognition of the needs with those without children, but were concerned that this was at the expense of those with children, who would lose support after 12 months but who often faced significant ongoing costs as a result of bereavement. They also had concerns about subjecting widowed parents to conditionality requirements after six months, the exclusion of unmarried partners from support, and the lack of clarity on the tax status of BSP.

In the debate on whether clause 27 (to become section 30 of the Act) should stand part of the Bill, the concerns voiced by Cruse Bereavement Care and the Childhood Bereavement Network were raised, and in particular their suggestion that more than 90% of families with dependent children could lose out under the proposals. The then Pensions Minister, Steve Webb, disputed this figure, explaining:

The 90% figure is based on a misunderstanding. It was based on the assumption that the only basis on which people flow off benefits for widowed parents is when the kids turn 18. Actually, people flow off widowed parent's allowance when they remarry or when they reach state pension age, for example. In fact, the typical length of time that people spend on widowed parent's allowance is currently in the order of four years. Although there may be extreme cases of people who are on it for 18 years, or whatever, they are very much the exception. It is more normal to

¹⁶ [PBC Deb 25 June 2013 cc25-32](#)

¹⁷ [Written evidence from the Childhood Bereavement Network](#), PB 44, published 10 July 2013

think of people being on such benefits for a median period in the order of four years.¹⁸

On the actual impact in terms of winners and losers, the Minister said:

For the reform as a whole, we think it is roughly 50:50. With the figures that we have used, we think that 52% would get more and 48% would get less. There is a shift in the balance, however, because the reform spends extra money on childless bereaved people, who currently would not get any benefit at all in many cases. We estimate that around three quarters of bereaved families with children would get less and a quarter would get more. Within that, however, it is loaded towards those who are out of work, so the heavier losers are those who are in work.¹⁹

He emphasised however it would be at the discretion of a future Government to set the level and duration of payments, and the balance between lump sums and ongoing payments. A future Government could, for example, prescribe a different payment period for families with children, or use some or all of the savings expected to accrue from the reforms in the longer run to make payments to those with children over a longer period.²⁰ Paying benefits over a longer period might however make it more difficult to make the case to the Treasury that the Bereavement Support Payment should be tax free, and to justify disregarding BSP when calculating entitlement to Universal Credit.²¹

Lords Stages

The provisions in the Bill relating to the Bereavement Support Payment were considered in the Lords Grand Committee on 15 January 2014²², and at Report Stage on 24 February.²³

In Grand Committee, Baroness Hollis of Heigham (Labour) tabled a series of amendments:

- To extend the period of support for widowed parents, to either three years or until the youngest child is seven;
- To extend the period of support for bereaved partners who had been carers; and
- To provide that claimants are not subject to conditionality while in receipt of BSP.

For the Opposition front bench, Baroness Sherlock and Lord Browne of Ladyton also spoke to amendments:

- To ensure that both the lump sum and the instalment element of BSP would be tax-free; and
- Calling for a review of the impact of the proposed changes on bereaved families through a report to Parliament within six months.

¹⁸ [PBC Deb 4 July 2013 cc273-274](#)

¹⁹ [PBC Deb 4 July 2013 c274](#)

²⁰ [PBC Deb 4 July 2013 cc266-267; cc274-275](#)

²¹ [PBC Deb 4 July 2013 c267](#)

²² [HL Deb 15 January cc130-152GC](#)

²³ [HC Deb 24 February 2014 cc731-748](#)

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As regards the tax status of BSP, Lord Browne said that a proper understanding of the effect of BSP “requires more certainty than the Government are providing about its tax status” and that it would be helpful if then Minister could tell the House “when he hopes to have more clarity about this issue.”²⁴

Lord Browne concluded:

Finally, if the Minister is not minded to accept any of the specific amendments or our generic amendment, perhaps he could engage with these outstanding issues in another way. The policy manager at the Children’s Society, Dr Sam Royston, has advised us that within cost neutrality the BSP could be extended to three years by reducing the ongoing payment and by reducing the lump sum payment, both by comparatively small amounts. I would be happy to share this proposal in detail with the Minister and his team and am sure that his own support networks could easily explore what adjustments to the payments might facilitate an extension in the ways we have been discussing. First, I would ask the Minister to consider in particular whether delaying the implementation of the BSP to those aged under 45, until at least the time when savings are to be made, would allow greater generosity and flexibility to bereaved families. Secondly, does he agree—I put this crudely—that, if we spread the jam slightly more thinly, it would be possible for BSP to be paid to parents with the care of children for at least three years?²⁵

For the Government, the Minister for Welfare Reform, Lord Freud, replied:

Moving away from a payment focused on immediate financial need would result in more but less generous instalments, as noble Lords have pointed out. Bereavement support payment would begin to resemble a long-term income replacement benefit. It would then become an overlapping benefit and could not be disregarded from universal credit and benefit cap calculations. Probably more important in terms of the tax implications, no decisions have been taken on the taxable status of bereavement support payment. Any decisions will be taken as part of the annual fiscal process in the context of the wider public finances. However, the Treasury has indicated that because the lump-sum payment is intended to meet the costs arising from bereavement and is not intended to be a replacement for other income, it would not expect to levy income tax on this payment. It is unlikely that a payment with a longer duration could be exempt from tax. It is also likely that under EU co-ordination rules, payments with a longer duration could be classified as a survivor’s pension. This would mean that we could also be liable to pay sickness and family benefits to a survivor abroad. If the bereaved person or family does need ongoing financial support, then other benefits would be available to provide this support, primarily universal credit.²⁶

With regard to conditionality, Lord Freud said:

Given that the policy of not imposing conditionality requirements on bereaved claimants claiming universal credit for six months is already more generous than that for bereaved individuals in other

²⁴ [HL Deb 15 January c139](#)

²⁵ *Ibid* c141GC

²⁶ *Ibid* c144GC

circumstances, and that our flexible conditionality regime allows us to reflect on and respond to individual circumstances, I see no merit in having a longer period.²⁷

He added:

Removing any requirement to engage with the labour market through universal credit for a longer or even indefinite period could have a negative effect on a person's recovery and long-term job prospects. We believe that allowing people to engage with the labour market through universal credit is necessary to help them adjust and regain control of their lives.²⁸

The Minister said that he was "absolutely committed to making sure that parents who have suffered a bereavement receive an appropriate conditionality regime", and to that end had asked officials to meet with the Childhood Bereavement Network in the following months to discuss the policy approach in Universal Credit and to develop guidance.

On whether Bereavement Support Payment should be payable to people who were not married or in a civil partnership, Lord Freud reiterated the position of successive governments:

Our law and tax systems recognise inheritance rights and needs of bereaved people only if they have a recognised marriage or civil partnership. This stems from the founding principle of the national insurance system, which is that all rights to benefits derived from another person's contributions are based on the concept of legal marriage and civil partnership. Allowing cohabiting couples to have access to bereavement benefits would significantly increase complexity; and proving cohabitation can be incredibly challenging, not to say an intrusion into claimants' private lives.²⁹

Responding to the Opposition's call for a review, Lord Freud said:

...there clearly needs to be a period following introduction of the new payment to allow changes to bed down before we can review its effectiveness and impact on the different groups of claimants. I can assure the noble Lord, Lord Browne, that we have already committed to review the change in our impact assessment at a point when sufficient evidence is available to assess all aspects of the policy.³⁰

The amendments were withdrawn.

At Report Stage, Lady Hollis moved further amendments to enable bereaved parents to be exempted from Universal Credit conditionality for a period of twelve months.³¹

For the Government, Lord Freud said:

...the House may find it helpful to know that, although I do not agree that a change to conditionality in respect of only this specific group of amendments is appropriate, I am proposing to conduct a wider review into the circumstances where children

²⁷ Ibid cc145-6GC

²⁸ Ibid c146GC

²⁹ Ibid c148-9GC

³⁰ Ibid c149GC

³¹ [HL Deb 24 February 2014 c731-4](#)

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could be in considerable distress and where it is clear that conditionality should not be applied.³²

The Minister gave further details of the proposed review:

I ...want to conduct a review as quickly possible, in order to embed any new rules in the regime before we take new claims to universal credit from families. That is why I propose to undertake the review myself. I would like, in practice, to conclude that review by June or so. I will report back to the House following that. I am not quite sure of what form that will take but we will find the right form nearer the time.

The scope of the review will include not just where there is a bereavement payment due but where there is the death of a partner, possibly unmarried, where the child's sibling dies, or where a family is fleeing domestic violence. There will be other examples. We will start with an evidence-gathering phase. I should like to involve Members of this House—one or two have already demonstrated extreme knowledge—but I would also look to engage an expert adviser and to conduct open evidence-gathering sessions, including one for Peers. If that review concludes that changes to universal credit regulations are needed, I am able to bring those forward under the existing powers in the Welfare Reform Act 2012.³³

Lord Freud said that he was able to commit to the review “on the basis that the amendment proposed by the noble Baroness, Lady Hollis, does not go through.”

Lady Hollis argued that her amendment did not “cut across any review in any way”, adding:

It seeks only to protect a small, identifiable and precise group from additional pressures of work conditionality at no cost at all and at a time when they and their children are most deeply distressed. I do not think that they should be put on the back burner for a review that may or may not deliver what I hope the House will think is the right path to take. If the review goes ahead and the Minister does not need the amendment, as it is permissive, he does not need to draw on it. If his review falters, which I think it will because he is asking too much of it, the amendment would give protection to some of the most vulnerable people in our country at the time of their deepest grief.³⁴

Lady Hollis pushed her amendment to a vote. It was defeated by 237 votes to 202.

The Government provided two notes to Peers on 24 February 2014 – [Universal Credit conditionality and bereavement](#) and [Bereavement Support Payment overview](#).

The Bill received Royal Assent on 14 May 2014.

³² Ibid c734

³³ Ibid c745

³⁴ Ibid c748

5. Northern Ireland

Bereavement Support Payment was introduced in Northern Ireland under powers in the [Pensions Act \(Northern Ireland\) 2015](#). Links to the proceedings on the [Pensions Bill \(Bill 42/11-16\)](#) can be found at the Northern Ireland Assembly website.

Bereavement Support Payment was introduced in Northern Ireland from 6 April 2017 and, in line with the parity principle, the benefit rates and rules mirror those for BSP in Great Britain. Further information in [Bereavement Support Payment](#) can be found at the Department for Communities website.

6. Bereavement Support Payment: detailed rules

On 12 January 2017 the Department for Work and Pensions laid before Parliament the [draft Bereavement Support Regulations 2017](#). The regulations – which came into force on 6 April 2017 – contain some further details of the new scheme. These include rules relating to payments to prisoners and the territories where Bereavement Support Payment may be payable, but the most significant provisions relate to the rates of BSP and the duration of support.

Following the original consultation on bereavement benefits reform, the Government proposed that Bereavement Support Payment would be paid-

- to **claimants with dependent children**, as a lump-sum of **£5,000** followed by 12 monthly payments of **£400**; and
- to **claimants without dependent children**, as a lump-sum of **£2,500** followed by 12 monthly payments of **£150**.

The regulations reflect the Government’s final proposals, which were to pay Bereavement Support Payment-

- to **claimants with dependent children**, as a lump-sum of **£3,500** followed by 18 monthly payments of **£350**; and
- to **claimants without dependent children**, as a lump-sum of **£2,500** followed by 18 monthly payments of **£100**.

In a Written Ministerial Statement announcing the draft Regulations, the DWP Minister Caroline Nokes said that the Government’s decision to extend the duration of the benefit from 12 to 18 months followed consideration of “representations from the Social Security Advisory Committee, the Work and Pensions Select Committee and groups supporting bereaved people.”³⁵ The DWP’s [Explanatory Memorandum](#) accompanying the draft Regulations states:

After having considered [the] recommendations from both committees, the Department has decided to accept the recommendation to extend the payment period from the proposed 12 months. This ensures that the payments do not end on the anniversary of the death, which could have created extra distress for the claimant. The Department has designed the payment structure to consist of a maximum of an initial higher payment to be followed by 18 smaller monthly instalments.³⁶

The draft regulations were subject to the “affirmative procedure” – the approval of both Houses of Parliament was required before the Statutory Instrument could become law. Section 8 covers the proceedings on the regulations in the Commons and the Lords.

³⁵ [Bereavement Support Payment Regulations 2017: Written statement - HCWS409](#)

³⁶ Explanatory Memorandum to the Bereavement Support Payment Regulations 2017, para 8.6

6.1 Comparison with current bereavement benefits

The following table – adapted from a background note produced by Northern Ireland Department for Communities³⁷ – summarises how the Bereavement Support Payment differs from the existing Bereavement Benefits (the Bereavement Payment, Bereavement Allowance and Widowed Parent's Allowance).

Current bereavement benefits V Bereavement Support Payment

	Current benefits	Bereavement Support Payment
Components	Bereavement Payment (BP) Bereavement Allowance (BA) Widowed Parent's Allowance (WPA)	Bereavement Support Payment (BSP)
Payment period	BP – one off lump sum BA – 52 weeks WPA – Until Child Benefit (CHB) ceases	Up to 19 payments with the initial payment at a higher rate if the claim is made within 12 months of death
Rate of payment	BP – lump sum £2,000 BA – depends on age when bereaved and the deceased person's NI record. Maximum amounts £34.11 a week at age 45 to £113.70 a week for those aged 55 or over WPA – up to £108.30 a week, depending on deceased's NI record	£3,500 initial payment + £350 per month for up to 18 months for those with dependent children £2,500 initial payment + £100 per month for up to 18 months for those without children
Widowed parents	WPA ceases once CHB award ceases	No change of rate if child is no longer included in CHB award
Have to be married/in civil partnership	Yes	Yes
Age requirements	BA – no entitlement if under age 45 and age related payment from 45 to State Pension Age (SPA) WPA – No entitlement once claimant reaches SPA BP - No entitlement if claimant is over SPA and the late spouse was entitled to a Category A State pension at date of death	Lower age limit removed and not paid to those who have reached SPA
Contribution conditions	Complex – range of contribution conditions apply to existing benefits	Simplified – only 1 contribution condition will apply to BSP
Class 3 NICs and credits count towards eligibility	Yes	No
Overlapping benefit provision	Yes (except the lump sum)	No

³⁷ [Bereavement Benefits Comparison Table](#), 2 February 2017

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Overpayments of BSP recoverability	Yes	Yes
Taxable	Yes (except the lump sum)	All payments are tax-free
Disregarded for income related benefits including Universal Credit and the Benefit Cap	No	Yes
Annual increase in existing award	Yes (except the lump sum)	The rates of BSP may be subject to periodic review however once the award is made the amount will remain the same until the award ceases.
Exportability/EU treatment	Yes	Yes
Affected by remarriage/re-partnering/living with another	Yes – payment stops	No – Marrying, cohabiting or entering a civil partnership does not affect payments.
Winter Fuel and Xmas bonus entitlement	Yes	No

6.2 Impact on individuals

Bereavement Support Payment does not affect recipients of existing bereavement benefits, who will continue to receive payments under the current rules.

An Impact Assessment for BSP was published alongside the *Pensions Bill 2013-14*. An updated version of this Impact Assessment was published by DWP on 9 April 2014 – see [Replacement of existing Bereavement Benefits for New Claims from April 2017 - Bereavement Benefits for the 21st Century \(in Great Britain\)](#)

For BSP claimants, the DWP's Impact Assessment identified the following key groups of notional gainers and losers from the proposed system:

Losers:

- Bereaved parents who would otherwise have received Widowed Parent's Allowance for longer than the BSP period
- Older in-work recipients of Bereavement Allowance

Gainers:

- Bereaved parents who would otherwise have been recipients of Widowed Parent's Allowance for less than the BSP period
- Individuals aged under 45 without dependent children – they become eligible for a monthly payment, as well as a more generous lump sum (overall gain of £2,300)
- Workless individuals without children – they gain from the disregarding of Bereavement Support Payment for the purposes of calculating Universal Credit entitlement (by contrast Bereavement

Allowance is currently deducted from means-tested out-of-work benefits). The younger they are, the more the notional gain

On 26 June 2013 DWP published a further analysis of the impact of Bereavement Support Payment, looking at how BSP would have affected people bereaved in 2012-13, compared with what they would expect to receive through existing bereavement benefits, by bereavement benefit groupings.³⁸ The table below - from the DWP analysis – shows the percentage who would have been gainers and losers in each group, broken down by whether in or out of work (WPA denotes those who would qualify for Widowed Parent's Allowance, BA those qualifying for the Bereavement Allowance, and BPT group those only qualifying for the lump-sum Bereavement Payment).

Percentage better off or worse off under the new Bereavement Support Payment by existing bereavement benefits groupings (based on arithmetic mean component estimates)

	Better off			Worse off		
	Those in work	Those out of work	All	Those in work	Those out of work	All
WPA group	12	43	25	88	57	75
BA group	30	51	40	70	49	60
BPT group	100	100	100	0	0	0
<i>BA and BPT groups</i>	53	67	60	47	33	40
Across all groups	43	62	52	57	38	48

Note: (1) values are rounded to the nearest per cent.

Overall, slightly more gain from BSP than lose (52% compared with 48%), but this masks differences between the existing bereavement benefit groups. All of the Bereavement Payment only group gain from BSP, but claimants in the other groups (Widowed Parent's Allowance and Bereavement Allowance) are on average more likely to be worse off under BSP. Overall, 75% of claimants with children are worse off under BSP; this rises to 88% for working bereaved persons with children.

Actual gains/losses will depend on individual circumstances, but for bereaved parents with younger children – who would have continued to receive Widowed Parent's Allowance for a number of years – the loss may be substantial. Of the 45,500 claimants of Widowed Parent's Allowance in Great Britain at May 2016, 18,800 (41%) had been in receipt of benefit for five years or more.³⁹

6.3 Exchequer impact

DWP expects that the impact on the public sector of Bereavement Support Payment will be an additional cost to the Department of approximately £45 million across the first two years of the reform. In the longer run however, when the benefit reaches "steady state", savings of around £100 million a year are expected.⁴⁰

³⁸ DWP, [Further analysis on the reform of bereavement benefits for new claims from April 2016: Great Britain](#), ad hoc statistical analysis, 26 June 2013

³⁹ [DWP Tabulation Tool](#)

⁴⁰ DWP, [Explanatory Memorandum to the Bereavement Support Payment Regulations](#), January 2017, para 10.2

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The DWP's Impact Assessment stated that "a future Government could decide how to reinvest any savings which arise" from Bereavement Support Payment.⁴¹

⁴¹ DWP, [Impact Assessment: Replacement of existing Bereavement Benefits for New Claims from April 2017 - Bereavement Benefits for the 21st Century \(in Great Britain\)](#), 9 April 2014, para 15

7. Issues

Following the *Pensions Act 2014*, both the [Social Security Advisory Committee](#) (SSAC) and the [House of Commons Work and Pensions Committee](#) turned their attention to bereavement benefits. In November 2015 SSAC published an Occasional Paper on [Bereavement benefit reform](#).⁴² The Work and Pensions Committee's report, [Support for the bereaved](#), was published on 31 March 2016.⁴³

The [SSAC report](#) examined the bereavement benefit reforms and their interaction with other support available to bereaved families, including Social Fund Funeral Payments. While broadly welcoming the reforms – in particular the extension of support to those aged under 45 and the simplification of bereavement benefits, which were “significant improvements on current provision” – the Committee expressed disappointment that the Government's initial review had not considered the broader support available at bereavement, including Social Fund Funeral Payments. SSAC recommended, among other things, that DWP review the interaction between Bereavement Support Payment and Universal Credit, “reflects further” on whether to extend the period for which bereaved parents receive BSP, and consider extending BSP to a broader range of “partners.”

The SSAC report also recommended that DWP act to ensure all bereaved people are aware of BSP, provide Jobcentre Plus staff and Work Programme providers with effective training and support to help them understand the needs of bereaved claimants; and ensure that Jobcentre staff are sensitive to, and take account of, the individual circumstances of bereaved families when using their discretionary powers to suspend conditionality requirements. SSAC also recommended that DWP should, as part of its commitment to review and assess the impact of BSP, monitor and evaluate how the new benefit affects bereaved people and whether they are getting the support they need.

The [Work and Pensions Committee's report](#) noted that several of the key changes of the bereavement benefits reforms had been welcomed by stakeholders, including the simpler NI contribution conditions, the fact that the age of the claimant and remarriage/cohabitation would no longer be factors determining support, the tax-free status of BSP, and the fact that it would not affect other benefits. The Committee noted that other changes had caused concern. The Committee observed:

We broadly welcome the Government's proposed reforms to bereavement benefits. Many of the changes are overdue. There are three areas, however, that merit further consideration by the Government: the treatment of bereaved cohabitants with children, the length of the new BSP and interactions with Universal Credit.⁴⁴

⁴² SSAC Occasional Paper No. 16

⁴³ HC 551 2015-16

⁴⁴ Ibid. c73

Following the publication of the draft Bereavement Support Regulations in January 2017, the [Child Bereavement Network](#) – a “hub for those working with bereaved children, young people and their families across the UK” – published a [briefing paper](#) on the Bereavement Support Payment and related benefits changes affecting bereaved people.⁴⁵ The paper – which was developed by a group including Child Bereavement UK, Marie Curie, WAY Widowed and Young, the Child Poverty Action Group, Anne Corden of the University of York, and Cruse Bereavement Care – sets out the main concerns in an executive summary:

- We are concerned about the duration of these payments, which will last for 18 months. 91% of parents will be supported for a shorter time than under the current system of Widowed Parent’s Allowance (WPA), which is paid until the youngest child leave full time education.
- Latest DWP figures – which we believe should be updated ahead of any parliamentary scrutiny of the Regulations – suggest that 75% parents bereaved after 6 April (88% of those in work, 57% of those out of work) will be worse off in cash terms than they would have been under the current system, by up to £17,000 based on a median length of claim under the current system of 5-6 years.
- Those with younger children will be disproportionately badly affected as they can currently claim for longer (eg losing out by up to £31,000 if they would have been eligible to receive WPA for 10 years).
- Parents will not be supported for long enough to meet their children’s emerging grief, placing them under additional stress. The government intends to meet the ongoing income support needs of widowed parents and their children with Universal Credit, with its conditionality requirements. We consider these to be unnecessary, stigmatising and counter-productive.
- Unlike WPA, the new BSP will not be automatically uprated in line with inflation and so its value will be eroded over time.
- Parents who are not married or in a civil partnership are not eligible for Widowed Parent’s Allowance or the new Bereavement Support Payment, meaning that children lose out on support because of their parents’ marital status. We believe this is unjust and out of step with modern society.

These issues are covered in more detail below.

7.1 Duration of BSP

Both the Social Security Advisory Committee and the Work and Pensions Committee noted concerns voiced by stakeholder organisations that stopping Bereavement Support Payment after 12 months was too soon and that the impact of bereavement on families often lasted longer than a year. SSAC recommended that DWP reflect further on whether to extend the duration of SBP, even if it meant a reduction in the value of payments to avoid an additional burden on the

⁴⁵ Childhood Bereavement Network, [Briefing on Changes to Bereavement Benefits](#), 26 January 2017

public purse.⁴⁶ The Work and Pensions Committee was more specific, recommending an extension of BSP to 18 months on a cost-neutral basis, and that the Department's proposed review should look at whether an even longer payment period appropriate. The Committee noted (original emphasis):

95. The Department have "made a commitment to monitor and review the effect of BSP ... at a point when sufficient evidence is available to assess all aspects of the policy." **The financial impact of bereavement can, and often will, last much longer than one year or 18 months. Stopping after a year is particularly problematic however, as it is the anniversary of the death. We are also unconvinced by the argument that a longer period of monthly payments would be administratively more complex and expensive. We recommend that the Department adopt a cost-neutral method of extending the BSP to 18 months through a reduction in the lump-sum payment. The Department should consider extending the monthly payments further, as part of its forthcoming review.**⁴⁷

In response to the Government's announcement in January 2017 that BSP would be restructured to provide lower initial lump sums and payments for 18 months instead of 12, the Committee's Chair, Frank Field, welcomed the decision. He added:

This is a very important change for families at what is invariably a traumatic time; not least because it means payments will no longer stop on the anniversary of the death. The Government should be applauded for listening to the evidence that we were so moved by.⁴⁸

The Childhood Bereavement Network (CBN) believes that 18 months is however still too short, citing studies which suggest a "late effect" of bereavement with some children showing new and greater difficulties two or three years after the death of a parent. It states:

Stopping payments after eighteen months will have a significant impact on grieving families' finances. This may force widowed parents to increase their working hours to replace the income, before their children are ready for them to be less available. It may necessitate moving house – and school. If these additional changes and stresses have the negative impact on children's outcomes that the evidence base suggests we could expect, then we are likely to see greater costs to the family and society in terms of worse mental health and educational outcomes.⁴⁹

CBN presented alternative cost-neutral proposals to spread the payments over three years instead of 18 months for those with dependent children (although ideally it would prefer to see payments continue for longer). The alternative proposals involved:

⁴⁶ [Bereavement benefit reform](#), SSAC Occasional Paper No. 16, p32

⁴⁷ [Support for the bereaved](#), HC 551 2015-16, 31 March 2016

⁴⁸ [Government adopts Committee recommendation on bereavement support](#), Work and Pensions Committee press release, 12 January 2017

⁴⁹ Childhood Bereavement Network, [Briefing on Changes to Bereavement Benefits](#), para 15

- a slightly smaller increase to the lump sum for claimants without children; and
- reducing the monthly payments for widowed parents, bringing them back closer to the new value of Widowed Parent's Allowance to those on a low income, but making payments for three years instead of 18 months.

The Childhood Bereavement Network anticipated two possible objections to a further extension to the duration of BSP, given statements made by Ministers in previous debates (see section 4 above):

- that increasing the payment period would weaken the case for exempting BSP from tax; and
- that a longer payment period might result in BSP being classified as a survivor's pension under the EU social security co-ordination rules, thereby increasing the liability of the British Government to make payments abroad.

In relation to the first objection, CBN noted that making payments over an 18 month period instead of as a single lump sum as originally envisaged "did not seem to be problematic in this way," adding "If the argument can be made successfully for spreading the payment over eighteen months, we do not see why three years should be different."⁵⁰

On the Government's contention that extending the duration of BSP might lead to it being reclassified for EU law purposes, the Childhood Bereavement Network commented:

...we have not seen a full explanation of how the Government arrived at this view, nor workings for the additional costs which the Government claimed were possible. Given that the UK is to leave the EU, we do not believe this argument holds.⁵¹

7.2 Annual uprating

Section 150 of the *Social Security Administration Act 1992* places a statutory duty on the Secretary of State to increase the rates of Bereavement Allowance and Widowed Parent's Allowance (and their predecessor benefits – Widow's Pension and Widow Mother's Allowance).⁵² The requirement does not extend to the lump sum Bereavement Payment, which has remained £2,000 since its introduction in 2001.

Bereavement benefits were not affected by the Coalition Government's 1% limit on annual uprating of working-age benefits for three years from 2013-14, and are not included in the further four year benefits freeze introduced by the current Government.⁵³

The *Pensions Act 2014* added Bereavement Support Payment to the list of benefits the Secretary of State must review each year to determine

⁵⁰ Ibid. para 18

⁵¹ Ibid. para 19

⁵² For further information on the statutory framework governing benefits uprating see section 4 of Commons Library Research Paper 13/01, [Welfare Benefits Uprating Bill 2012-13](#)

⁵³ See section 5 of Commons Library briefing CBP-7252, [Welfare Reform and Work Bill 2015-16](#)

whether they have retained their value in relation to prices. There is however no statutory requirement to actually uprate Bereavement Support Payment each year in line with prices.

The Childhood Bereavement Network argues that the Bereavement Support Payment should be uprated automatically each year in line with inflation. Failure to do so would, it states, mean that “BSP will stretch less and less far to cover families’ needs after a parent dies.”⁵⁴

As noted in section 6.3 above, DWP expects long run savings from the introduction of Bereavement Support Payment of around £100 million a year. The Department’s Impact Assessment stated that “a future Government could decide how to reinvest any savings which arise” from Bereavement Support Payment.⁵⁵

7.3 Unmarried partners

Bereavement benefits are, and always have been, paid to married partners of deceased persons (and, since the *Civil Partnerships Act 2004*, to surviving civil partners.

The Coalition Government’s 2011 consultation document made it clear that the issue of whether bereavement benefits should be available to unmarried partners lay outside the scope of the review:

Marriage and Civil Partnership as a condition of entitlement

Currently, the law and tax and benefit systems only recognise the inheritance rights and needs of bereaved people if they have a recognised marriage or civil partnership. This is despite societal change resulting in a decline in marital status. We have no plans to extend eligibility for bereavement benefits to those who are not married or in a civil partnership.⁵⁶

In its November 2014 Occasional Paper, the Social Security Advisory Committee noted however that stakeholder organisations viewed the continued exclusion of unmarried couples from support as “outdated and unfair.”⁵⁷ While acknowledging that there were “considerable practical challenges” associated with extending entitlement to unmarried couples, SSAC said that limiting Bereavement Support Payment only to those who were married or in a civil partnership was “inconsistent with other benefits, including Universal Credit, and appears incompatible with the Family Test.” The SSAC report stated (original emphasis):

We recommend that DWP recognises the impact of bereavement on a broader range (definition) of “partner” and considers extending eligibility to ensure consistency with other areas of the benefit system. We recognise that this would bring additional costs and the Government will

⁵⁴ Childhood Bereavement Network, [Briefing on Changes to Bereavement Benefits](#), para 26

⁵⁵ DWP, [Impact Assessment: Replacement of existing Bereavement Benefits for New Claims from April 2017 - Bereavement Benefits for the 21st Century \(in Great Britain\)](#), 9 April 2014, para 15

⁵⁶ DWP, [Bereavement Benefit for the 21st Century](#), Cm 8221, p17

⁵⁷ [Bereavement benefit reform](#), SSAC Occasional Paper No. 16, November 2015, p24

need to give careful consideration to its affordability when balanced against other priorities, but nonetheless it should be an ambition over the longer-term.⁵⁸

In its report on [Support for the bereaved](#) published in March 2016,⁵⁹ the Work and Pensions Committee questioned the Government's assertion that marriage has always been a key part of the National Insurance system, given that Adult Dependency Increases (ADIs) had in the past been awarded for adult dependants looking after the children of contributory benefits claimant, even when they were not married. It also noted that cohabitation has long been recognised for means-tested benefits, and that this would continue to be the case with Universal Credit.⁶⁰

In its response to the SSAC report, DWP said that extending Bereavement Support Payment to unmarried couples would cost an estimated £300 million cumulatively over the first four years of the new benefit.⁶¹ The Work and Pensions Committee acknowledged that a blanket extension of BSP to all cohabittees might not be affordable, but observed that extending it only to cohabittees with children reduced the figure substantially (the Childhood Bereavement Network had estimated the additional cost at around £21.6 million per year). The Committee concluded that extending BSP to cohabittees with dependent children was affordable and that the additional cost should be met from the medium-term savings the Department expected to make from the bereavement benefit reforms. It noted comments from Ministers that the bereavement benefit reforms were "not designed to save money."⁶²

In considering the case for extending BSP to cohabittees with children, the Work and Pensions Committee looked at the available evidence on how bereaved parents used Widowed Parent's Allowance noting that, in many cases, it was put towards childcare support. The Committee observed:

The needs of bereaved children do not differ because of their parents' marital status and children have no control over whether their parents decide to marry. The increased BSP for surviving parents may in fact be even more important for children of cohabittees. It has been pointed out that their financial needs may be "even greater than those families where the parents were married, as the surviving partner may be ineligible for death benefits or pensions and will not inherit under the rules of intestacy if the person died without making a will." Some parents

⁵⁸ Ibid. p33

⁵⁹ HC 551 2015-16

⁶⁰ The Committee also noted the possibility of further legal challenges against the exclusion of unmarried partners from bereavement benefits following a February 2016 ruling of the High Court of Justice in Northern Ireland that refusal of Widowed Parent's Allowance to a woman who was not married to her deceased partner amounted to unjustifiable discrimination. That decision was however subsequently overturned by the Court of Appeal in Northern Ireland, which found that the relationship of an unmarried cohabitee was not analogous with that of a spouse or civil partner in the context of a WPA and therefore different treatment was justified; see [McLaughlin, Re Judicial Review \[2016\] NICA 53 \(13 December 2016\)](#). A further appeal to the Supreme Court is expected

⁶¹ [Government response: SSAC report on bereavement benefit reform](#), 23 November 2015

⁶² HC 551 2015-16 para 86

may have assumed that they would be treated as if they were married as “levels of expectation that common law marriage exists are very high”.⁶³

The Committee’s report stated (original emphasis):

83. Bereaved parents face increased expenses because of their responsibility to their children. The needs of bereaved children of cohabiting parents are no different to those whose parents were married or in a civil partnership. Penalising children on the grounds of the marital status of their parents is unjust.

The Government’s response to the Committee’s report ruled out extending Bereavement Support Payment to cohabitants with children, reiterating the arguments put forward by successive governments:

19. The Government maintains that a key principle of the National Insurance system is that all rights to benefits derived from another person’s contributions are based on the concept of legal marriage or civil partnership. A husband, wife or civil partner pays National Insurance contributions to ensure, among other things, that if they die prematurely, their surviving spouse or civil partner will be entitled to benefits based on these contributions.

20. Proving cohabitation is a lengthy complex process which would be distressing, especially to the recently bereaved. It is not a straightforward concept and can be open to interpretation leading to delays and additional requirements for claimants.

21. Additionally, there would be the potential for multiple claims, for example one from the legal spouse and another from a cohabiting partner.

22. The Government previously made reference to this position in the bereavement benefits consultation, stating unambiguously that the question of allowing bereavement benefits for cohabiting couples was out of scope.⁶⁴

In its January 2017 [Briefing on Changes to Bereavement Benefits](#), the Child Bereavement Network argued that the practical challenges associated with determining cohabitation for bereavement benefit purposes and applying the rules were overstated. It stated:

51. During passage of the Pensions Bill, which introduced the new BSP, the Minister of State for Pensions raised the practical difficulties of determining the nature of a partnership, saying how uncomfortable it would be to ask intrusive questions about a relationship, shortly after one person had died. However, many of the administrative processes around a death could be seen as intrusive, but are recognised as being necessary, and it seems unlikely that families would find making a claim for bereavement benefits any different (particularly if it was going to make a significant financial difference to the family).

52. While there are undoubtedly difficulties in establishing the nature of a cohabiting relationship, these aren’t insurmountable. The tax credit and means-tested benefit systems are already set up to manage cohabiting couple claims: and many couples will have had such a joint claim before one of them died. The Armed Forces

⁶³ Ibid. para 80

⁶⁴ [Support for the bereaved: Government Response to the Committee’s Ninth Report of Session 2015–16](#), HC 230 2016-17, 22 June 2016

Pensions Scheme successfully uses a definition of 'eligible partner' to determine who can receive a pension.

CBN "strongly recommends" that eligibility for bereavement benefits should be extended to unmarried, cohabiting partners with dependent children with the person who died.

7.4 Universal Credit conditionality

With the introduction of Bereavement Support Payment, the focus of bereavement benefits will shift to providing short-term help with the more immediate costs associated with the death of a spouse or civil partner. This contrasts with Widowed Parents Allowance which is – formally – an "income replacement" benefit intended to provide ongoing help with day-to-day living costs, in recognition of the loss of the deceased spouse's income.

Following the introduction BSP, bereaved persons requiring income replacement will have to rely on other benefits, such as Income Support, Jobseeker's Allowance or Employment and Support Allowance. Income Support and the means-tested versions of JSA and ESA are being replaced by Universal Credit. All UC claimants must accept a "claimant commitment" which details what they are expected to do as a condition for receiving benefit. The work-related requirements which apply may range from being immediately available for and searching for full-time work, to undertaking activities to help prepare for a future return to work, to attending periodic Work-Focused Interviews, to no requirements at all.⁶⁵ Work-related requirements may still apply if a claimant is in work, but has low earnings – they may be expected to look for more work or better paid work. This is known as "in-work conditionality." Failure to meet the relevant conditionality requirements, without "good reason", may result in a benefit sanction.

Bereavement benefits consultation

The Coalition Government's December 2011 consultation document on bereavement benefit reform noted that Widowed Parent's Allowance, which can be received over a number of years, places no obligation on workless recipients to take steps to engage with the labour market during that time (although recipients can choose to maintain a link to the labour market without any negative effect on their benefit). While the Government accepted that "the freedom afforded by the absence of labour market conditionality can play an important role in the period of readjustment following bereavement", it considered that Widowed Parent's Allowance enables absences from the labour market that are in its view "unhelpfully long" in the sense that prolonged disengagement from the labour market can be detrimental to future employability, health and wellbeing.⁶⁶

⁶⁵ Contribution-based JSA and contributory ESA will continue to exist alongside Universal Credit, and the same conditionality requirements will apply to JSA and to ESA claimants as apply to people in the corresponding UC conditionality groups

⁶⁶ DWP, [Bereavement Benefit for the 21st Century](#), Cm 8221, December 2011, p16

Responses to the consultation varied with regard to how long it was reasonable to exempt bereaved people from conditionality, but most stakeholders were opposed to the imposition of conditionality after six months, particularly for bereaved parents. The suggested length of exemption ranged from 3-6 months to two years, with some suggesting that it should last until the youngest child had completed a year of full-time schooling for widowed parents. Many respondents also mentioned the need for Jobcentre Plus to treat bereaved persons sensitively, and to take into account their individual circumstances so as to avoid unintended emotional distress.⁶⁷

Suspension of conditionality requirements for bereaved claimants

There are “easements” in Universal Credit that provide that, in certain circumstances, the usual conditionality requirements can be suspended for bereaved claimants. For the six months following the death of a partner, work search and availability requirements are suspended. In addition, where there has been a “significant disruption to the claimant’s normal childcare responsibilities” due to the death of a person who was previously a parent or the responsible carer of the child,⁶⁸ the claimant may request a one-month suspension of the work search and availability requirements. They are able to apply for a one-month suspension every six months, for up to two years following bereavement. The bereaved parent must ask their Work Coach to suspend conditionality, and the Work Coach must be satisfied that the claimant’s circumstances are such that suspension is warranted.⁶⁹

The Social Security Advisory Committee said that it was important that Jobcentre staff are sensitive to, and take account of, the individual circumstances of bereaved families when exercising their discretionary powers to suspend conditionality requirements.⁷⁰ The Work and Pensions Committee also commented that the success of Universal Credit “rests heavily on the ability of Work Coaches to assess the individual circumstances of a claimant and bereavement is yet another area in which they will need to exercise judgement.” It recommended that the Government “reflect on whether this additional burden to Work Coaches is the right approach.”⁷¹

The Childhood Bereavement Network believes that the imposition of conditionality after six months, even with additional one-month suspensions, is “unnecessary and will be counterproductive.” It states that most bereaved partners retain, return or enter work within 18 months of bereavement, but also notes that going back to or starting

⁶⁷ [Government response to the public consultation Bereavement Benefit for the 21st Century](#), Cm 8371, July 2012, p14

⁶⁸ A temporary suspension of conditionality may also be granted due to the death of a brother or sister of the child, or someone else who normally lived at the same accommodation

⁶⁹ Regulation 99 [Universal Credit Regulations 2013; SI 2013/376 as amended](#); see also DWP [Advice on Decision making Chapter J3: Work-related requirements](#), paras J3200 and J3220

⁷⁰ [Bereavement benefit reform](#), SSAC Occasional Paper No. 16, November 2015, p33

⁷¹ [Support for the bereaved](#), HC 551 2015-16, 31 March 2016, para 103

work can have varied impacts on different individual parents. CBN states:

34. Obliging parents to seek or take up work before they are ready can have a detrimental effect on children in two ways: by increasing the parent's stress levels and depressive symptoms (strongly correlated with children's emotional and behavioural difficulties) and by reducing the parent's availability to the child (quality of bond and family routines promote children's healthy adjustment).

35. The process of having to make an appointment, see the work coach and then provide evidence will itself be burdensome and disruptive for families. Some families will find these additional arrangements outweigh the benefits of a short term suspension, and will be put off from requesting it. We believe that the rolling nature of suspensions and re-impositions is also likely to be counterproductive to parents' capacity to return to work, making the situation even less stable for families.

36. We also believe that this complex process will place an increasing burden on work coaches, adding to their existing pressures in responding to the needs of families in a huge range of circumstances.⁷²

The Childhood Bereavement Network recommended that "full conditionality requirements should be lifted for a full two years, in line with the government's recognition of children's ongoing grief support needs."⁷³

⁷² Childhood Bereavement Network, [Briefing on Changes to Bereavement Benefits](#), 26 January 2017

⁷³ Ibid. para 36

8. Debates on the draft Regulations

The [draft Bereavement Support Regulations 2017](#) (now [SI 2017/410](#)) were considered by a Delegated Legislation Committee on 27 February⁷⁴ and agreed by the House of Commons following a [deferred division on 15 March](#). The Bereavement Support Payment was also discussed in a Westminster Hall debate on the Work and Pensions Committee's report on Support for the Bereaved on 2 March.⁷⁵

In the Lords, the draft regulations were considered in Grand Committee on 21 February⁷⁶ and [agreed without a vote on 27 February](#). Concerns about the changes to bereavement benefits were also raised at Lords Starred Questions on 6 April.⁷⁷

8.1 Commons proceedings

In the Delegated Legislation Committee, the Labour Work and Pensions Spokesman Alex Cunningham said that while there was "tremendous merit" in simplifying bereavement benefits, Bereavement Support Payment would deliver significant Exchequer savings of around £100 million a year. He added:

Despite the Government's warm words, this is a further austerity measure that is to the detriment of grieving families. We have serious concerns about the proposals. Although we recognise the need for simplicity and change, we do not support these reforms, and we have committed to reversing them under the next Government as the first step towards a wider review of support for the bereaved. Our direct concerns include questions about the shortened timetable; the impact of universal credit conditionality after the initial six-month grace period; the bizarre decision not to uprate support in line with inflation; and, finally, cohabiting couples.⁷⁸

With regard to Universal Credit conditionality, Mr Cunningham said that the Opposition did not agree that obliging parents to return to work six months after a bereavement was in the best interests of the parent or the bereaved child. He continued:

If the Government accept that the risk of serious distress remains high for up to two years more, why place bereaved families under the pressure of continuously having to prove themselves? This is a further example of the original policy taking a more compassionate approach. Most bereaved partners retain work, or return to or enter it after 18 months. If the Government press ahead, surely a more pragmatic compromise would be to exempt bereaved families from conditionality for that period, and not just for six months as is proposed. Given the evidence, will the Minister not just scrap this policy now, or at the very least commit

⁷⁴ [DLC Deb 27 February 2017 cc1-14](#)

⁷⁵ [HC Deb 2 March 2017 cc153-174WH](#)

⁷⁶ [HL Deb 21 February 2017 cc7-15GC](#)

⁷⁷ [HL Deb 6 April 2017 cc1127-9](#)

⁷⁸ [DLC Deb 27 February 2017 c5](#)

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to looking again at the period of initial exemption from universal credit, and consider an extended exemption?⁷⁹

The Minister for Welfare Delivery, Caroline Nokes, said that Universal Credit claimants who are bereaved are exempted from work search requirements for six months, after which DWP would “take a flexible approach to conditionality, allowing it to be tailored to the individual.” The Minister stated:

On universal credit, it is important to note that the conditionality can be lifted or someone can be completely exempted. It is important to recognise in the arena of universal credit that we want a much more tailored relationship between individuals and their work coaches.⁸⁰

Pressed on how someone would seek an exemption, the Minister replied:

By discussion with their work coach. That is simply the way we expect that to happen. People will be able to develop that relationship and ask for that exemption.⁸¹

The Minister gave an undertaking to publish the relevant guidance for work coaches when the legislation had been debated and completed.⁸²

On uprating, the Minister noted that while the Bereavement Allowance and Widowed Parent’s Allowance were increased annually at least in line with inflation, there was no requirement to uprate the lump-sum Bereavement Payment, which had been frozen since 2001. She continued:

Bereavement support payment is a grant paid in instalments rather than an income replacement benefit, so it is treated in a similar way to the current bereavement payment: it is reviewed annually on a discretionary basis. Section 150 of the Social Security Administration Act 1992 provides for the rate of bereavement support payment to be reviewed annually. Regular review would allow the value of the benefit to be increased if that is considered necessary. Any decisions on future changes will be taken as part of the annual fiscal process in the context of wider public finances.⁸³

Ms Nokes said that the Government had already committed to reviewing the 2013 Impact Assessment for Bereavement Support Payment, adding “We will do so when sufficient evidence is available to assess all aspects of the policy, including its effectiveness.”⁸⁴

In a [deferred division on 15 March](#), MPs voted by 292 votes to 236 to agree the draft regulations.

Westminster Hall debate

On 2 March a debate took place in Westminster Hall on the Work and Pensions Committee’s [March 2016 report on Support for the Bereaved and the Government’s response to it](#). Introducing the debate, the

⁷⁹ [DLC Deb 27 February 2017 c6](#)

⁸⁰ [DLC Deb 27 February 2017 c10](#)

⁸¹ [DLC Deb 27 February 2017 c11](#)

⁸² [DLC Deb 27 February 2017 c11](#)

⁸³ [DLC Deb 27 February 2017 c12](#)

⁸⁴ [DLC Deb 27 February 2017 c12](#)

Committee's Chair, Frank Field, welcomed the Government's decision to accept its recommendation to extend the duration of Bereavement Support Payment to 18 months. He continued:

The Government said that they did not intend to make money from the reform, but that the package of reforms will save in the region of £100 million. Why is it then that they have not agreed to our second recommendation on bereavement benefits? Why have the Government not used some of those savings, which they said they never intended to make, to deliver an extension of bereavement benefits to people in similar situations to marriage, such as those in civil partnerships or who are cohabiting? That would make the benefit more broadly and, I would argue, more accurately reflect everyday life in our constituencies.⁸⁵

The Parliamentary Under-Secretary of State for Pensions, Richard Harrington, said that the Government "did not believe that the period of payment could or should be equivalent to the period of grief following spousal bereavement", which could last for the rest of their life. He added:

The payment is not designed for that; it is designed to support people with the additional costs associated with bereavement, rather than providing an income replacement.⁸⁶

The Government believed that means-tested benefits were better suited to providing long-term assistance with everyday living costs. The Minister added:

Unlike bereavement allowance and widowed parent's allowance, bereavement support payment will be paid in addition to any other benefits the recipient is entitled to, thus ensuring that the least well off receive the extra cash in their pocket to help with those extra financial strains brought about by the unexpected loss of a spouse or civil partner of working age. Long-term ongoing income-related support will be provided through universal credit, which better targets support to those with the greatest need.⁸⁷

On the proposal that the duration of Bereavement Support Payment be extended to three years, on a "cost-neutral" basis, the Minister said:

If we did that, we would have to fund it by reducing other elements of the payments. There seems to be little rationale for reducing the monthly payments for parents to make extending the duration cost-neutral. It would reduce payments to a token amount, which would not meet the intention of dealing with the immediate costs relating to bereavement.⁸⁸

Responding to suggestions that BSP was just an austerity measure, Mr Harrington said that it would be for future governments to decide whether and how to reinvest any savings after the first two years, adding "I therefore cannot undertake, as I have been asked, to ensure that savings are reinvested in this field."⁸⁹

⁸⁵ [HC Deb 2 March 2017 c155WH](#)

⁸⁶ [HC Deb 2 March 2017 c170WH](#)

⁸⁷ [HC Deb 2 March 2017 c171WH](#)

⁸⁸ [HC Deb 2 March 2017 c174WH](#)

⁸⁹ [HC Deb 2 March 2017 c173WH](#)

Winding up the debate, Frank Field said that the Government should make it clear how expected savings would be used to improve bereavement provision. He added:

We all assumed that the Government were committed to introducing this reform at nil cost. We have heard about how it does not meet needs. I ask the Minister to say that the Government do not wish to present this harsh face to the public; that they have up to £100 million to spend in this area; and that they did not wish to make these changes to save money, but to bring the benefit up to date. I ask that he and his colleagues at some date soon report how that £100 million will be spent, so that the needs of the two heroines that my hon. Friend the Member for Walthamstow (Stella Creasy) raised can be met. We are not asking the Minister to conjure up new money or to take money away from somewhere else. We are just saying that we agree. By all means, let us modernise this benefit, but let us do it in a way that spends the full budget and in a way that meets need most.⁹⁰

On 8 March Mr Field wrote to the Minister for Welfare Delivery, Caroline Nokes, about the Government's intentions in relation to the expected steady state savings of £100 million a year from BSP.⁹¹ The letter stated:

During our inquiry the Government repeatedly stressed that the reforms to this benefit were not designed to save money. Neither yourself or the Parliamentary Under-Secretary of State for Pensions, however, have committed to keeping these savings within the benefit, either to extend the benefit to cohabiting couples with children or to lengthen the period of payment.

Might you please report to the Committee on how the Government intends to use these savings? In addition, might you tell us if there has been any discussion within Government on channelling this money back into the Bereavement Support Payment so that it might continue to meet the needs of bereaved families, for that was our understanding of previous ministerial statements?

In her response of 20 March, the Minister stated:

As you will be aware, initially we will be investing extra funds into the reform to bereavement benefits. The savings you reference in your letter are not anticipated during the course of this Parliament. How to reinvest any savings which may arise from this measure is therefore a matter for a future Government to decide.⁹²

In a statement on 4 April Mr Field said:

This reform started with a promise of no cuts. The Government has reneged on that promise and the reform will now deliver £100 million of cuts at the expense of widowed parents and their children.⁹³

⁹⁰ [HC Deb 2 March 2017 c174WH](#)

⁹¹ [Letter from Frank Field to Caroline Nokes: Bereavement benefits: savings from reform](#), 8 March 2017

⁹² [Letter from Caroline Nokes to Frank Field](#), 20 March 2017

⁹³ [Chair comments on reports of the impact of welfare reforms](#), Work and Pensions Committee press release, 4 April 2017

8.2 Lords proceedings

In Grand Committee on 21 February, the Bishop of St Albans raised three concerns about the Bereavement Support Payment: the length of time for which payments will be made, particularly to widowed parents with dependent children; the Government's refusal to uprate basic support payments in line with inflation, "which will see the value of the payments eroded after time, particularly given the likely rises in inflation over the coming years"; and the failure to extend eligibility for BSP to cohabiting couples, particularly those with children. In relation to cohabiting couples, the Bishop said:

...a situation that leaves one in five parents ineligible for bereavement support if their partner dies is inadequate. I recognise that determining a qualifying partnership outside marriage or civil partnership is complex but these challenges are not insurmountable, particularly when one thinks about the welfare of children, who are almost always those who take the hit and suffer most.⁹⁴

For Labour, Baroness Sherlock noted that the Government had argued that Bereavement Support Payment would modernise provision and increase simplicity for those who are bereaved and seeking support, and was grateful for the Minister's confirmation that the main aim was not to save money. She continued:

However, I am pleased to reassure him that they are, accidentally, about to save quite a bit of it. I confess that my antennae always start twitching whenever I hear Ministers promise that a social security reform is mainly just about making things simpler. The first question is always to look at who stands to gain as a result of the new simplicity—the claimant or the Treasury. On this occasion, after two years of an introductory period the answer is, I am sorry to say, the Treasury. The Explanatory Memorandum tells us that after two years of reform, steady-state savings are expected to be about £100 million a year. In other words, these reforms take £100 million a year from bereaved families and give it to the Exchequer.⁹⁵

The draft regulations were agreed in the Lords without a vote on 27 February.

On 6 April the former Pensions Minister Baroness Altmann asked a Lords Starred Question on whether the Government would "reconsider changes to bereavement benefits for parents with dependent children."⁹⁶ This followed a cross-party letter to the Secretary of State urgently requesting that the Government think again and consider extending payments for widowed parents with dependent children for up to 10 years, rather than stopping after 18 months, in order to "allow those parents, at such a difficult point in their lives, a more reasonable amount of time to deal with their own grief, as well as that of their

⁹⁴ [HL Deb 21 February 2017 c10GC](#)

⁹⁵ [HL Deb 21 February 2017 cc10-11GC](#)

⁹⁶ [HL Deb 6 April 2017 cc1127-9](#)

children.” The letter also stated that the public at large “would find it difficult to understand why the government is redistributing bereavement support payments away from families with dependent children, towards those without.”⁹⁷

For Labour, Baroness Sherlock said that there was “genuine feeling around the House that the Government have made a mistake on this”, adding “These cuts were simply part of an attempt to cut £12 billion off social security.”⁹⁸

While giving an undertaking that the Secretary of State would listen to the concerns voiced and reply in due course, the Minister, Lord Henley, rejected the allegation that the bereavement benefit changes were cuts, emphasising the improvement in support for the initial stage following bereavement. The Minister added:

We believe that, with a contributory benefit such as bereavement support benefit, it is quite right to make that very generous initial payment, to then provide some support for those with children for 18 months and thereafter to let people seek help from income-related benefits.⁹⁹

⁹⁷ See “[Peers push to reverse bereavement benefit changes](#),” Guardian, 6 April 2017

⁹⁸ [HL Deb 6 April 2017 cc1128](#)

⁹⁹ [HL Deb 6 April 2017 cc1129](#)

9. Further information

Bereavement Support Payment has been covered in a number of recent media reports and online sources.

Press reports

["No, minister, you can't put a time limit on grieving for a partner,"](#) Times, 15 January 2017

["New bereavement support is a drop in the ocean,"](#) Independent, 18 January 2017

["Young and bereaved – and now facing cuts to crucial financial support,"](#) Observer, 29 January 2017

["Why grieving families could be £12,000 worse off under new Bereavement Benefits rules - What's changing from April,"](#) Mirror, 30 January 2017

["Bereaved families set to see their financial lifeline slashed by up to £31k in overhaul that will hit children who lose a parent,"](#) Daily Mail, 2 February 2017

["Philip Hammond urged to pause cut in benefits for widowed parents,"](#) Guardian, 7 March 2017

["Grieving families could be up to £12,000 worse off under benefits cuts: Shake-up means 75% of widowed parents will lose out,"](#) Daily Mail, 20 March 2017

["Cancer patient's family stands to lose £50k under benefit cuts,"](#) Guardian, 2 April 2017

["Theresa May defends cut in payments for bereaved families,"](#) Guardian, 3 April 2017

["Peers push to reverse bereavement benefit changes,"](#) Guardian, 6 April 2017

["Grieving families left 'isolated and broken' as Government slashes bereavement benefit,"](#) Independent, 7 April 2017

Broadcast media

[BBC Radio 4 Woman's Hour](#) 4 and 5 February 2017

[Channel 5 News](#), 7 February 2017

[Victoria Derbyshire](#), 8 February 2017

Online material

["Bereavement changes leave future widowed parents with less support,"](#) Moneysavingexpert.com, 30 January 2017

["Future widowed parents face being 'pushed onto the breadline' by bereavement payout changes,"](#) Moneysavingexpert.com, 3 February 2017

["Major changes to bereavement benefits from April,"](#) bt.com, 30 January 2017

["Bereavement benefit: financial support to be cut from April,"](#) LoveMoney, 31 January 2017

["New bereavement support payment gets mixed response,"](#) Funeralzone, 3 February 2017

["House of Commons approves bereavement benefit cut that will leave 3 out of 4 newly widowed parents worse off,"](#) Joint statement from WAY Widowed and Young and Childhood Bereavement Network, 16 March 2017

["Bereavement benefit changes spark a priority change for insurers and employers,"](#) Smallbusiness.co.uk, 29 March 2017

["Newly widowed parents facing heightened financial pressures, following Government's bereavement benefit cuts,"](#) Childhood Bereavement Network, 6 April 2017

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