

36) BEREAVEMENT - The latest in a series of articles by Iain Gregory of Caithness CAB

It is said that there are two certainties in life – death and taxes. This unfortunately seems to be true. I recall that my paternal Great-Grandfather inconveniently managed to expire just before his 100th birthday which led to a rapid rearrangement of plans which were in place to mark his centenary. It was commented upon at the time that if he hadn't spent his life wandering happily about the place fighting various wars, consuming alcohol and tobacco in prodigious and inadvisable quantities, and if he had avoided consorting with a number of ladies with whom it would have been best not to have so consorted, then he would have undoubtedly lived to be 100. However it would have seemed a very long time and it would have been extremely boring.

We all have to face facts and we have already talked about the need to have a will in place to ensure our wishes are met after leaving the departure gate, and to consider having a Power of Attorney drawn up to make sure that we are looked after if we reach a point where we cannot manage our own affairs, but what about those left behind? What about the costs incurred when someone dies? What entitlements are there to help if we sadly find ourselves bereaved?

First of all let's have a look at funeral expenses – which can be extremely high. It may be that there is a life assurance policy in place and most people will have an idea of what there is but it is always worth checking old files – millions of “penny policies” were sold in the days when the local insurance agent went from door to door collecting premiums of a few shillings and most of these were made “paid up” years ago and put in a drawer and forgotten about. They can actually be worth a surprising amount due to growth over time, and even if the company has long since been taken over and its name forgotten CCAB can always trace it for you so get in touch. And do not forget to check with employers, trade unions and professional associations because there is often a “group policy” in existence. As to State help, If a widow, widower or surviving civil partner is receiving universal credit, income support, pension credit, income-based jobseeker's allowance, housing benefit, working tax credit, child tax credit or income-related employment and support allowance, s/he may be able to get help with funeral expenses from the Social Fund. In brief, a payment can be made to cover the cost of essential funeral expenses. Although it does not normally have to be repaid, it will be recovered if certain money is, or becomes, available (think monies due to the estate such as a policy payout). The issue here is that the DWP must accept that it is “reasonable” for the claimant to accept responsibility for the funeral expenses and they will also apply the “immediate family” test which means that if there is a family member who is not on a “qualifying benefit” then they may well expect him / her to pay the costs. You only have three months from the date of the funeral to claim so do not delay. There may also be a “funeral plan” in existence so again a search is wise. (As a matter of interest a report has just been published on the subject of funeral plans – some of them are excellent

but there can be issues with others so if you are thinking of one check first before buying). Finally a careful check of bank statements for debits and payments to insurers can also be helpful to see if there is some form of insurance in place.

Income is always an issue after a bereavement so the first thing to do is to carry out a budgeting exercise and see what you have coming in and what you have going out. CCAB can assist with this and various things need to be checked at the same time. Was your spouse or partner in receipt of an occupational or private pension? Is there provision for a widows / widowers payment? Often there is a facility for perhaps half of the pension to be paid to the surviving partner and this is easy to establish and claim. The state pension is another area which needs to be looked at. Clearly, one needs to tell the Pensions Office right away if someone has died – otherwise you can end up with an overpayment – but each of us has a right to a certain level of income in retirement (currently the Pension Credit Standard Minimum Guarantee is £159.35 for a single person) so you might well be entitled to a top-up. There are also one or two little known entitlements in the state pension system which might be to your benefit - for example if your spouse or civil partner had deferred payment of the state pension then you may be entitled to extra money. This can get quite complex so please check with CCAB and we will work with the Pensions Office for you.

So what else is there? Firstly, remember that if you are now living alone then you should make sure you get your 25% discount on Council Tax (and let's face it, with CT bills easily reaching £1000 to £2000 per year, that is worth having) and the HC Service Point will let you have a simple form to complete to make your claim. There have been a lot of changes to the entitlements system recently and there is a new bereavement support payment in place, as from April 2017, which is imaginatively called "Bereavement Support Payment". In order to qualify for this you either have to have been married or in a civil partnership and you need to be under state pension age when your spouse or partner died and they must have paid at least 25 weeks National Insurance contributions in a single year (unless death occurred as a result of an industrial accident). If you pass all these hurdles and you actually qualify then if you don't have children, you can get a lump sum payment of £2,500 and monthly payments of £100 for up to 18 months. If you have children or you're pregnant, you can get a lump sum payment of £3,500 and monthly payments of £350 for up to 18 months. You won't have to pay tax on any of the payments, including the lump sum. We are quite interested in how this new payment is going to work and it could be argued that the restriction to married couples and civil partners might be discriminatory (imagine you have lived together all your lives as a couple) and I would rather like to challenge this on a single test case and I would think a few other organisations would be interested as well. The way to do it is for someone who has been excluded to make a claim (via CCAB) and then we can look at finding a legal firm willing to mount a legal challenge (pro bono or funded by a charity) when the claim is refused.

Finally there will be numerous organisations to inform when a loved one has died. Please do not be on your own – CCAB will always help and we will make sure everything is done properly and legally and that any possible entitlements you may have are put in place.

And personally I aim to beat my Great Grandfather's excellent innings and I hope you do as well.