

## *Funeral payments made under the Social Fund: briefing to Committee for Social Development*

### **Introduction**

A funeral payment can be made to help people on a low income with the essential costs of a funeral. Claimants must show that they have met these expenses. Claimants do not have to repay a funeral payment, although it can be recovered from the estate of the person who has died.

Claimants are eligible if they are receiving Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance (ESA) or Pension Credit. If they are getting Child Tax Credit and their award is high enough, they can claim a funeral payment. If they are getting Working Tax Credit with an extra amount for disability, they can also claim a funeral payment. Client's capital (for example, savings) does not affect a funeral payment.

The Social Security Agency must accept that it is reasonable for the client to be responsible for the funeral expenses and that there is no-one else who could be expected to be responsible. It is not enough to say that s/he is going to pay for the funeral. If there is an immediate family member of the deceased who is not receiving one of the qualifying benefits, the client will not be entitled to a funeral payment.

A funeral payment can include:

- the costs of a new burial plot or the costs of cremation
- the cost of transporting the body to a funeral home or other place of rest, but only if the journey is over 50 miles. If the journey is over 50 miles, only the part of the journey over 50 miles will be paid for
- the cost of transporting the hearse and one car of mourners to the funeral, but only if the journey is over 50 miles. If the journey is over 50 miles, only the part of the journey over 50 miles will be paid for
- the cost of one return journey for you to attend or arrange the funeral
- the cost of getting documents to release the assets of the person who has died.

A funeral payment can also include a further £700 for other expenses, including:

- the funeral director's fees
- a headstone
- flowers
- extra religious requirements.

If there is a private funeral payment plan, there is a limit of £120 for any of these other expenses that are not already covered by the funeral plan. A funeral payment will be reduced by any available assets of the person who has died. This means any resources they had which can be used to pay towards the funeral.

Even if a claimant gets a full payment from the Social Fund to cover funeral expenses, the SSA may recover all or part of it from the estate later on. A funeral payment will not cover all the costs of a funeral. It will not pay for expenses which are already covered under a pre-paid funeral plan.

### **Policy Issues**

#### **Costs**

Funeral costs vary widely across the various councils in Northern Ireland and even the most basic funerals can range from £1,500 to £3,000. The most common complaints from CAB clients concern substantial shortfalls between the grant and the actual cost of modest funerals, and refusal of grants. CAB evidence shows that clients are never awarded the full amount of the costs even though these are allowable expenses and the majority of clients receive approximately half the amount. If a client wishes to avail of a cemetery outside their local council, they will face a higher charge than residents. Belfast clients have reported a shortage of graves in the council cemeteries and many residents have to seek graves outside Belfast City Council.

#### **Case study**

*Client's uncle had lived in England for several years and moved back to Northern Ireland as it was his wish to die here. He left £200.00 in a building society book and £20 cash. The funeral expenses came to £2,300 and client applied to get funeral payment from the social fund. He received £821.35 which he was informed was the full allowable grant. Client enquired about this and was advised that the decision would definitely not be changed, but he had the right to appeal. Client is a pensioner and does not have any money to pay the remainder of the funeral bill. This is causing him a lot of distress as he does not understand why when his uncle left no money, his funeral expenses are not being fully covered by the social fund.*

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### **Responsible Person**

There are still incidents when clients are unclear about who is responsible for arranging the funeral and are subsequently disallowed. Even with the existing guidance and legislation this is not always applied.

### **Citizens Advice Victory at House of Lords (Kerr v. Department for Social Development [2004])**

In this case the claimant, Thomas Kerr, was refused a funeral payment for his deceased brother. The rules state that if there is another relative who is in equally close contact with the deceased, who is not on benefits, a funeral payment can be refused. The tribunal and a Social Security Commissioner placed the burden on Mr Kerr to show whether the other siblings, a brother and sister, were in receipt of state benefits. His appeal failed because he was unable to do so.

The court of appeal reversed the Social Security Commissioner's decision holding that although the other siblings were in equally close contact, the burden of proof as to benefits lay with the Department.

It was up to the Department to ask the appropriate questions to ascertain whether the rules for a benefit are satisfied. Normally the claimant is best placed to answer these questions but where, as in this case, the information was more readily available to the Department it was up to the Department to find it out.

The Department appeal this decision to The House of Lords and the law lords upheld the decision of the court of appeal.

### **Case studies**

*A client recently applied for a funeral payment and the local office ignored the policy with regard to funeral payments and where responsibility lies for funeral costs within a family. Client receives income support. His mother recently died and he applied for funeral payment. He was disallowed because he has a sister who works. She has had no contact with his mother for twenty years and refuses to pay for funeral.*

*A client was turned down for a funeral payment without Social Fund making any investigation into the circumstances of her sister. Client's sister had a clear entitlement to Pension Credit since her 60th birthday in April.*

### **Delays with passport benefits**

CAB clients have also been experiencing problems with the knock on affect of applying for qualifying benefits. This happens predominantly in cases where a spouse is bereaved and is applying for benefit in their own right. There have been issues with for example, Pension Credit delays which in turn hold up the funeral payment being processed; as a result clients are either facing the three month time limit or the funeral director putting pressure on the client.

### **Case study**

*A Client's baby died and she applied for a funeral payment and was turned down as the child's father was not receiving a qualifying benefit. There had been an issue with the local SSO and his documentation had not been received which caused a delay. The Social Fund team were informed of this and Client was advised to apply again once his benefits were in payment. The client applied again once benefit was in payment and was turned down again for the same reasons and when she enquired about this she was advised that she had no right to appeal as they took the date from the first claim.*

### **Recommendations**

- Citizens Advice recommends that the Executive should lobby the Secretary of State for Northern Ireland at Westminster on the amount available for funeral expenses in the funeral payment
- We would like to see improved guidance and training for social fund staff responsible for administering funeral payments
- The Agency should examine the operation and administration of the rules that require family members not in qualifying benefits and to pay for funerals
- The agency should work with funeral directors to ensure that supplies of information are available in order to maximise *full take up of funeral payments*.