Work and Pensions Committee

Oral evidence: Bereavement benefits, HC 551 – iii

27 January 2016

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[Watch the meeting]

Members present: Rt Hon Frank Field (Chair), Heidi Allen, Mhairi Black, Ms Karen Buck, John Glen, Richard Graham, Craig Mackinlay, Steve McCabe, Jeremy Quin, Craig Williams

Questions 104 - 166

Examination of Witnesses

Witness: **Simon Cox**, Royal London Group, gave evidence.

Q104 Chair: Simon, welcome to the Committee. Might you please identify yourself for the sake of the record and then Richard will begin our questioning?

Simon Cox: Yes. My name is Simon Cox. I work for Royal London Group. I have been researching funeral costs since 2004, every year since, with both my previous employer, Sun Life, and my current employer, Royal London Group.

Q105 Richard Graham: Good morning. At our last session, we looked at a variety of data, which showed that there were two fundamental costs to the whole business of bereavement. One is the cost of the cemetery, which has been rising fairly steadily, and the other is the costs from the funeral directors themselves of everything else other than the cost of the space in the ground. The evidence suggested that the costs from the funeral directors had been rising by far more than the cemetery costs. I think the figure is on average by 4.9% in the last year but, in fact, fairly steadily over the last few years as well. With inflation as it has been recently, that seems excessive. Why do you think those costs have risen so fast?

Simon Cox: First, it is probably useful to understand the different elements or proportions of the costs. The funeral director's cost is the largest single element of a funeral. Typically, from the average funeral cost at around £3,700, the funeral director's cost is about £2,300 within that cost. Since I have been researching those costs, while I do not have broken-out data from 2004, I can tell you that funeral directors' costs have risen from £1,500 in 2007 to over £2,300, so a rise of £800 in that period of time, circa 55% over that period of time.

In terms of why, I guess that is for the funeral industry to comment on, but typically energy, wages, premises and equipment are all things that they need to take into account.

The typical elements around supply and demand would be the number of deaths but also the number of funeral directors operating across the country. If you look at the number of deaths that occurred over that same period of time between 2007 and 2015, it is broadly similar. We have gone from a generational high in the 1970s to a generational low in the last decade or so of 560,000 to 570,000 and we are set to see record highs again in the next two or three decades back up to 700,000 by the 2030s. The number of deaths, then, I would say has not really changed. I have heard anecdotally that the number of funeral directors has increased. If you did have a reduction in deaths, or an increase in the number of funeral directors, then obviously there would be less business to go round among those who are operating in the industry.

Q106 Richard Graham: You could also argue that, if there are more funeral directors and energy costs have gone down fairly substantially, that should make the costs go the other way.

Simon Cox: As I said, I think in terms of energy, wages, premises and equipment, that is something that the funeral industry would have to respond to.

Q107 Richard Graham: What is your own comment?

Simon Cox: My comment is that I can see that the costs have risen at above inflation. Given the supply and demand data that I have—as I said, it has risen above inflation—I think that they need to be able to specify why those costs have risen to that degree.

Q108 Craig Mackinlay: Simon, just to help on that, obviously a lot of funeral directors are small, or the independent ones are smaller family concerns. If you were to extract their accounts from Companies House they would be abbreviated accounts; you would not get much detail. There are some big players, say Dignity and those type of companies. Have you done an analysis across the accounts of these companies that are fully published and available to us on whether the profitability has gone up, which might indicate that the increase in price is a desire for more profit?

Simon Cox: No, I have not looked at that so I cannot comment on that, I am afraid.

Q109 Richard Graham: Has anybody done that, Simon?

Simon Cox: Not that I am aware of, so I am sorry I cannot give you any more information than that.

Q110 Richard Graham: You would agree that the obvious conclusion is that margins have risen?

Simon Cox: One point I did not make is that when I started looking at funeral poverty, and I asked the funeral industry why costs had risen above inflation, one of the points they made was bad debt. I think, listening to Lucy Coulbert and seeing the other evidence, you can see that the social fund funeral payment system means that funeral directors have to take on significant risk when they are faced with a social fund funeral payment scheme. It is entirely possible that, given that they are taking on those funerals—and let’s not forget that they also perform public health funerals—those costs are at best break-even, possibly even loss making, for some of them.

Richard Graham: Chairman, that is something we are probably pursuing with another line of questioning on the balance of that risk and debt.

Q111 Chair: But also, Simon, isn't it true that if you have a fairly static market for deaths and you have an increased number of operators coming in, rationally that would suggest they are trying to get a share of the increased profits?

Simon Cox: The sector is unusual, unlike a lot of markets where competition pushes prices down, because consumers do not shop around. Research that I have done suggests that less than 10% of consumers shop around. Equally, within the report that we conducted this year, we did some analysis in conjunction with an organisation called yourfuneralchoice.com, which has a database of over 3,000 different funeral directors' costs. Within the 270 locations that we researched, we could see that the average difference in price for the same service in the same location was over £700. You could see that, for the same service, there is a wide discrepancy in funeral costs. Different organisations operate on different margins. Again, I know that you had one of the funeral directors giving evidence suggesting that a cost of a coffin was £120 or £130, and I have also heard that from other small independent funeral directors, but equally, as you suggested, the large operators are able to mass produce on a far more economical basis, so they do not have the same operating cost structures. While I cannot comment on their margin, there are the different dynamics of the different models that are at play.

Q112 Mhairi Black: Other than the factors you have already mentioned, are there any other factors that you can think of that are pushing up the cost?

Simon Cox: Funeral costs, absolutely, yes. One of the points that I put in our submission is that it would be a shame if the social fund was modified positively, yet the other factors that are causing funeral cost inflation are not tackled. If I start with burial costs, on average again I can give you the comparison from 2007 to 2015. The average burial cost, so the non-funeral director element, was about £1,000 in 2007. It is now £1,600 on average, so that has risen by 60% over the same period of time. That is largely down to a shortage of burial plots in the larger urban areas. That means that you have for many local authorities unsustainable cemeteries that are loss making, so they have to recoup their costs in some way. It is good to see that Scotland has taken the lead in the Burial and Cremation Bill in terms of laying down a foundation that says that sensitive reuse of old abandoned graves can help alleviate and ease the pressure on burial plot shortage and, therefore, burial plot costs. That is a significant element.

On cremation costs, again from 2007, the average cost was around about £400. That has risen by about £270 or 65% over the same period, so obviously very different proportions in terms of funeral directors' costs, the burial costs and the cremation costs. Over the period of time that I have researched the local authorities and the cremation industry, it has had to contend with a requirement by the EU to install mercury abatement equipment, which is a significant cost to that industry. That was targeted to have been completed by 2012.

What has also perhaps gone unnoticed or unstated is the growth of new private crematoria. We have seen a rise of new private crematoria. Twenty years ago, there were about 30 out of a stock of 225 crematoria up and down the country. It is now over 90 out of 270, so it has gone from about 15% to a third. Where we see the costs for private crematoria, they are on average about 13% more expensive than local authorities. It is also not simply that their costs are higher. When they are built, if they are built near a local authority crematorium—and the example I have given in my paper is in Portchester, where they were conducting in 2013 about 4,000-odd funerals. A new crematorium was built in Havant and the number of cremations taking place in Portchester dropped by about 900 or so. As you can imagine, that local authority lost a significant amount of income. How does it recoup that income it has lost? The growth of—

Chair: Simon, Mhairi was asking something specific. Do you want to get back to it?

Q113 Mhairi Black: From one of the previous evidence sessions, we heard that the increased lump sum in the bereavement support payment could contribute to further inflation in funeral costs. Is that something that you would agree with?

Simon Cox: In terms of the consultation, my view would be that consumers may decide to spend more if they have those funds available. I do not believe that funeral directors' practices would be the same. Funeral costs may rise or the amount of money spent on funerals may rise if more money is available to spend on funerals because it comes in the form of a lump sum.

Q114 Craig Williams: Throughout the inquiry, we have heard about the social fund and the problems around applying for that and the implementation of it. Could you outline some changes that you would like to see to the process to make it easier?

Simon Cox: Yes, absolutely. There are probably four key issues that I see with the social fund funeral payment scheme. The first is the process. The second is the weakening value. The third is the timing and the fourth is the complexity in the application form. In terms of the first, the process, you have to remember, I think, for the UK's most vulnerable at their most vulnerable time they are asked by the process to say how much they are going to spend on a funeral with the possibility that they may get an award with no idea what that award might be. That seems backwards and unreasonable and unfair to those consumers. I think consumers—

Q115 Chair: What do you say should be done about it, Simon?

Simon Cox: Consumers ought to have an idea and expectation of what they may be eligible for and they should know that before they have to commit, so basically to remove that requirement to submit an invoice, to be committed to costs before they know. By the time they find out, they are already committed. The funeral may well have already happened by that time and from their point of view they have no recourse, no ability to change their mind, because they are already committed to those costs. To break that particular requirement I think would be helpful, but it needs also to go hand in hand with the complexity and the timing aspects of the rules. The target time currently is 16 days, the actual average is 17 days, the UK norm from death to a funeral taking place is 13 days, but for many faith groups it is 48 hours. Whatever can be done to simplify the rules or simplify the speed so that a consumer can make an informed decision about how much they will spend or, as I would suggest, if they are using this process as it happens at the moment, how much debt they are going to get into, because this process is leading UK citizens into debt without a shadow of a doubt.

Q116 Chair: Are you suggesting, though, that the only way you could get any administration to respond that quickly would be to eliminate the area of discretion and to define categories of people that would get the benefit?

Simon Cox: I have spoken at length with DWP and others in the area and I guess it is not an easy one to solve, for sure. I do not think there is a simple answer to give, but providing a degree of certainty for consumers about what they might expect. For example, we have talked about the average award being £1,375 but being eligible for an award might mean you get £50. You might get £5,000 if you are having a burial anywhere near London. If the services were prescribed at a certain level or there was a maximum cap on how much might be spent, consumers would have an understanding and an expectation that there will be no more than an amount to be spent and that may well allow them to consider how much they might spend as a result. However, that does not tackle the problem of the variety of costs up and down the country.

Q117 Chair: We have regional caps on housing, so we could have regional caps on funeral expenses, couldn't we?

Simon Cox: Yes, absolutely. I guess the information and the evidence and the data are there to help inform some of those decisions.

Q118 Chair: If we decided that we should not take into account who else in the family might pay, that if you are on certain types of benefits you get this benefit, it could be quite simple, couldn't it?

Simon Cox: I think that would help enormously. Again, if changes were made to the way that the benefits were decided so that you could streamline and speed up that decision-making process, then with the consumer informed that, first, they are eligible and, secondly, an idea of how much they might be entitled to or certainly a maximum that they would be entitled to, they could proceed with confidence. Equally, the funeral director would be able to proceed with confidence as well.

Q119 Heidi Allen: I am looking back, or wondering back to when you left school whether you thought this was the job you would end up doing and having knowledge in this area. I find it incredible. It is something that I know very little about, fortunately. I think you started to touch on some of the things I was going to ask you. You obviously have strong views that the whole system needs changing. You touched on some ideas just now about a regional cap on funeral costs, which Frank suggested. Just generally, talk us through your thoughts about how this whole process could be run better and simpler.

Simon Cox: I think Frank gave examples of simplifying that process and the eligibility criteria to speed up that decision making, providing clarity to consumers of what they may be entitled to. I think it is well within the gift of the Committee to look at the evidence and data available and provide some guidance and clarity around what various costs might be and limit what costs can be spent on various aspects. For example, I know that the example that Lucy gave was £120 on a coffin. In the research that I conducted last year, we saw that the average amount spent on a coffin was over £900 and it did not vary by income decile at all. From the poorest income decile to the most expensive, the average amount spent on a coffin was significant. By setting out an expectation, hopefully you also start to educate the consumer about what the minimum position is. That is not to say that they would necessarily have the minimum, and I dare say that what people regard as what they want for a funeral they will have an idea of when they walk into a funeral director's office. Some will not, but by giving them a de minimis position with which they can at least set an expectation—and a good example of this would be seeing some of the smaller independent funeral directors like Lucy, Poppy's in London and Nicola Bright-Hill of Bright-Hill Funerals in the Isle of Wight, where they have introduced a simple cremation funeral. The example that I have given for the evidence is Poppy's cremation-only services, £1,950 including doctor's fees. By setting an expectation that you can buy a funeral for that amount, while that might be the de minimis position, and then setting a benefit that meets that level or goes somewhere towards that level, then it is down to the consumer. If you wanted something more than that, you would have to self-provide or you would need to find money to make greater provision than is allowed.

Q120 Heidi Allen: Crucially, I suppose, you know the risk of debt that you are opening yourself up to?

Simon Cox: Absolutely, and then it becomes an informed choice for the consumer. As it is, I think we have to remember that this is not just the most vulnerable from a financial perspective or from a capacity perspective, but people at their most vulnerable as well. We can see from the evidence that people do not shop around. We need to give as much support as we can to them to provide them with the tools and framework so that they at least have the information available, can find the information, or that a hospice, doctors' surgeries, hospitals signpost them to places like Citizens Advice or Quaker Social Action or yourfuneralchoice.com so that they can find that information and maybe ahead of time start thinking about what they want.

Q121 Heidi Allen: Is there anything around, as Frank was just suggesting, maybe something related to benefits, something that would speed up the administrational process?

Simon Cox: As I said, having had lots of conversations, I have encouraged DWP maybe to share some of the data of how the payments work in relation to the various benefits and maybe work with different organisations, experts in the area, to say if you turn that lever off or on, this is the number of people it would apply to or would exclude, what that would do to it and how quickly it would speed up. Then you could perhaps improve it, but I am not privy to that information so I am unable to comment on the individual criteria, I am afraid.

Q122 Steve McCabe: Are you aware of any useful international comparisons we could look at in terms of the way social fund funeral payments are handled?

Simon Cox: In 2011-12, I commissioned the University of Bath to not just look at the experience and process of applying for a social fund payment, but conduct some research into different international methods of supporting people who are bereaved in different countries. I cannot really give you any more than that, other than to say that, in the report that is in the public domain, the information is fairly light, but I know there is more detail behind that. I am sure the University of Bath and the Centre for Death & Society would be happy to share that information. Depending ultimately on the politics and the culture of the country, there were different regimes that were in place, but whether they would fit with UK culture and politics I think is probably one for Bath University to respond to.

Q123 Craig Mackinlay: Very quickly, I have just looked at the site yourfuneralchoice.com. It is a novel site. Who came up with this and is it independent, non-profit making?

Simon Cox: Yes, it is an independent company. I have worked with them in the last 12 months to augment the data that we have in terms of evidencing what the different costs are, but beyond that I could not comment on it.

Chair: Simon, thank you very much.

Simon Cox: Thank you.

Examination of Witnesses

Witnesses: **Baroness Altmann**, Minister of State for Pensions, Department for Work and Pensions, **Michelle Dyson**, Director, Children, Families and Disadvantage, Department for Work and Pensions, and **Pete Searle**, Director, Working Age, Department for Work and Pensions, gave evidence.

Q124 Chair: Ros, welcome back. After your commanding performance last week, we are expecting a second innings as good if we can. You know the form. Might you introduce yourself and your team with you, please?

Baroness Altmann: Thank you, Mr Chairman. It is good to be back and I am pleased to see the Work and Pensions Committee doing so much excellent work and really important investigations. I am here as Minister of State for Pensions, also with responsibility for social fund payments. I have my two officials who will introduce themselves.

Michelle Dyson: I am Michelle Dyson, Director of Children, Families and Disadvantage in the Department for Work and Pensions with responsibility for the social fund, including funeral payments.

Pete Searle: I am Pete Searle, the Strategy Director for working age benefits at DWP, and I am responsible for policy on bereavement benefits.

Chair: Great, thank you. Craig, might you begin?

Q125 Craig Mackinlay: Yes. I am not really sure who might have this figure, but the £700 that is available for other funeral expenses, I know in the old legislation it was quite prescriptive as to what that ought to be; it is now very broad. Has the Department done any sort of breakdown of what they consider that figure of £700 should be and whether it is an appropriate amount?

Baroness Altmann: I will give an initial answer and then I can hand over to Michelle. The Department has looked, as you know, at this £700 figure and the decision that was taken was that we would cover all the essential costs, which we do, and the £700 is really a discretionary amount that the bereaved person can decide for themselves what they would like to spend the money on. We do not prescribe it. We have looked at breakdowns, what it could cost, and it certainly would allow people to cover more than the cost of a basic funeral. In an ordinary funeral, I think it is right that the state does not tell people exactly what to spend that discretionary amount on. I do not know if you would like to add something, Michelle.

Michelle Dyson: The only thing to add is the sorts of things that we know that people might spend that money on are, as you have heard, funeral director costs, ministers' fees, the coffin, order sheets, obituaries. There are a range of things that people do choose to spend that money on but we do not specify it.

Q126 Craig Mackinlay: Okay. You said there, Ros, that it should be enough to cover a basic funeral. A basic funeral in my mind would be picking up the body, maybe embalming it, a modest coffin and obviously the transport to the place of cremation or burial with perhaps one car for family—I would deem that a basic funeral. Do you think that £700 would cover that? Have you done any research on that?

Baroness Altmann: Together with the other essential payments, our understanding is that it should cover an ordinary funeral. Some people may have extraordinary requirements or unusual circumstances. There is also on top of that £700 now the availability of budgeting loans so that people should be able to have access to more money if they need it and really cannot afford to meet all the costs of a funeral. That was welcomed by the funeral industry as well as being a very helpful addition because we do not want families to find themselves in a position where they just cannot bury their loved ones.

Michelle Dyson: If I can add to that, as you heard from the last speaker, there are funerals around the £1,800 to £2,000 mark. We have looked at the natural burial society. That again is around that sort of mark. If the Committee recommends that we structure the overall amount that we pay, we are open to looking at a different structure within the same overall amount if the Committee thinks that paying all necessary costs plus the £700 is not the best way to approach this.

Q127 Richard Graham: I guess one thing that does present itself as an opportunity if the Department wanted, would be to effectively require funeral directors—because we know that there is not a great deal of shopping around—to have on offer a no frills service, which comes in at around or just below the price that people can be funded for so that right at the beginning, there is an opportunity for a family, who is probably going to be in a bit of shock, and may not know much about this, to be shown a bit of paper that says, "This is the no frills service we offer, which you will be covered for. Obviously, if you want other things, here is our list of all the different things you could do". Is that an option the Department has considered?

Baroness Altmann: Indeed. I held a roundtable a few weeks ago with a number of stakeholder groups, including the National Association of Funeral Directors, and I put to them that very point of whether we can encourage the industry itself to offer some kind of ordinary service, ordinary burial, and what that would cost. They are going to be coming back to me. They are going to consult their members and they are coming back to me to let me know what the possibility of that is. Obviously, they say, first, funeral directors are often independent so each one has their own tariff of charges around the country. Costs will vary depending on where you want to be buried. The cost of the actual burial plot can be significantly different. There are complications, but I do think that there should be perhaps some responsibility within the industry to help us to find a more standardised approach. I have also asked them to give me a perhaps more detailed breakdown of the various costs and the regional differences.

Michelle Dyson: One of the other things we are looking at is almost a different way into the same problem, whether we should be signposting from our gov.uk pages on funeral payments to cheaper options so people do not assume that the first thing they are presented with on the high street is the price they have to pay.

Q128 Chair: Of course, what term one uses, Ros, would be crucial, wouldn't it? If we are just talking about a basic funeral, most people would not want to opt for a basic funeral. But if one had an agreement that all undertakers would offer a standard funeral—

Baroness Altmann: I would rather call it an ordinary funeral, I think, perhaps.

Chair: —whatever it would be, that they had signed up so they had a duty to start from that basis so that people would not be, so to speak, taken to the cleaners, picking up all sorts of things that somehow they thought that they would be able to cover, might that not be a way forward?

Baroness Altmann: That is one of the things that we are looking at. I would much rather it comes from the industry itself rather than us imposing regulations of that kind. I hope that we will make some progress with the industry because I think it is in their own interest as well to be able to show that it can offer a particular ordinary service and then people can have add-ons if they want or need them. Again, there are big differences just depending on whether you go for a cremation or a burial, whether you need a religious service or a service that does not require a minister. Different ministers will charge different amounts. Those things would be outside the scope of this ordinary funeral, but until we get some idea of a breakdown, which they have promised to come back to me with, for the moment we are just considering all options. We would welcome recommendations from the Committee as well while we are doing that thinking.

Q129 Jeremy Quin: We have certainly had evidence before this Committee about the sheer range of prices on a regional basis. It is a great ambition to get that standard funeral cost and I look forward to seeing what they come out with. On another point, clearly one is dealing with relatives who are often in a distressed state. A claimant applying for support can then be told that a relative should be paying for the funeral costs or should be contributing to it; that is the process. In circumstances where that relative refuses and the claimant has already made the commitment, what recourse does the claimant have?

Baroness Altmann: Are you talking about cases where they have applied for the social fund payment and they have been under the impression that they might qualify but then the social fund finds there is another relative who could pay?

Jeremy Quin: Correct, absolutely.

Michelle Dyson: Shall I take that?

Baroness Altmann: Yes, go on.

Michelle Dyson: On that specific point, you do have a right of appeal, but I think your question goes to a wider issue, which the last witness spoke about, about people knowing upfront and before they commit and sign on the dotted line of a funeral director what money they might get. I think that is absolutely something we need to look at. What we want to do is get a pre-eligibility checker online on our gov.uk page so that people will know, with just going through a few questions, whether they are likely to be eligible for a funeral payment. We also want to get up the amounts that we are likely to pay by geography. We think we could do it by postcode. If we could get those two pieces of information up there on our website, you could hopefully in a few minutes run through the system either just after the death or, indeed, before the death when you know it is coming. You would know and you would be in a much clearer position then.

Q130 Jeremy Quin: At the moment, there are eight pages to fill in and it can be a protracted period before you know where you stand, by which time you have probably incurred the debt already or you are in dispute with the funeral director. It is not a happy circumstance.

Michelle Dyson: Exactly, so I think we absolutely need to do better on that.

Baroness Altmann: I have looked at this and we have been discussing it anyway because it is very, very difficult, this one. If you have one child who has been looking after the parent and applies to arrange the funeral and a sibling or several siblings elsewhere who could afford to pay, is it right for the taxpayer then to pay for the funeral when somebody else could? I do not think we will ever be in a position, certainly under the current system, where somebody would be guaranteed to know, if they had applied, that they would definitely get the money because the state does have a responsibility to see whether anyone else can pay. You do not want children in families just saying, “You are on benefits, you are the one who is going to arrange the funeral and we will not have to pay for it”. It is not an easy one.

Michelle Dyson: It is a very good point. The reason we have these complicated criteria is in order to limit the taxpayer’s liability here.

Q131 Chair: Michelle, how many hits do you have on this page of your website on funerals?

Michelle Dyson: How many hits do we currently have?

Chair: Yes.

Michelle Dyson: I do not know, I am afraid.

Baroness Altmann: We can find out for you.

Michelle Dyson: Yes, we will find out.

Q132 Craig Williams: Picking up on that point about the eligibility checker and the benefits calculator you have on the website already for other benefits but not the social fund, I know the National Association of Funeral Directors has welcomed some kind of check prior to putting an application in because people are going in and incurring debts at the moment before they know. Picking up on Jeremy's point, what could be done to put some kind of simple calculator or check online where people can get a much better idea? Is that possible?

Baroness Altmann: That is what we are looking at right now. We, again, would welcome input from the Committee on how best to help people understand what criteria they need to meet and how we check whether they meet those criteria. Some of it is pretty self-evident. If you are not on any of the qualifying benefits you simply do not qualify. That is relatively simple, although people may be on other benefits and, therefore, have applied without realising those particular ones are not relevant. Or they have heard from somebody else that if you are on benefits you can get payments without, again, knowing that there are only certain types of benefits where you will get help. Certainly, I think having it much more clearly signalled with the names of the individual benefits, and as we hopefully simplify the benefit system, that itself should become clearer for people.

I do think it is important for us to make perhaps clearer that if there is another family member that we find could pay or if there is money in the deceased person's estate, for example, we will not cover the cost. It is probably something that we could communicate better. Looking at the language sometimes, and it is something that I am conscious of across DWP, the communications and the terminology used may not be as human, user-friendly as it might be. Particularly in difficult circumstances when people are under stress and emotional strain, I think you need to be as clear as possible.

Q133 Craig Williams: Is there scope for doing something a bit more interactive than just a static page? Your benefits calculator is very good and goes into it, but obviously the social fund does not go in.

Baroness Altmann: We are also piloting with the Tell Us Once service, to see whether we can signpost people better to benefits.

Michelle Dyson: I think there absolutely is scope for doing something more interactive on the eligibility front. On the question of how much money you would get, what we are thinking of at the moment, but maybe we could do something more radical, is simply on the necessary costs, so the burial costs or the cremation, breaking that down by postcode so you could see how much has been paid in your postcode area in the last year or whatever, and then some similar breakdown of the sorts of costs we have paid under the £700. It would be historical information to give you a guide rather than a calculator as such.

Q134 Jeremy Quin: In practice, a lot of people going through this process will be looking at these websites with the undertakers concerned and the funeral directors. There are all kinds of websites that advertise all kinds of things and how cheaply you can acquire them.

I wonder whether, as part of your exercise with the industry, a requirement could be made that a range of prices should be made available to any individual or any relative coming to arrange a funeral. The idea that someone immediately after a bereavement calls around four or five providers and tries to work out the individual cost of each element of the funeral so that they can tot it all up before they decide who to visit is clearly not going to happen for very obvious reasons. I just wonder if there is a way that you could work with the industry so that they could exhibit a range of price options from them and their competitors to potential customers when they visit.

Baroness Altmann: I think there are two things there. First, we find from our research that people do not always or often shop around. They go to one place. It is not like a normal purchase. It is not something you want to do anyway so it is tempting and often the case that people simply go to the local that they have seen.

Jeremy Quin: Yes, understandably.

Baroness Altmann: That is why I think our work with the National Association of Funeral Directors is potentially the most powerful route—but again I am happy to take other suggestions—in trying to see if we can get funeral directors around the country who are willing to offer a standard price list for a normal or ordinary funeral. Then those could be signposted from our services. If a range of providers is willing to do that and we can work with them and they can cover enough regionally, again that might simplify the system. This is not something that is easy to do. Most other countries do not do this kind of thing anyway, so we are quite unusual in that regard. I think now that we really are focusing on it and thinking about it, and I do think it is very important. It can be a source of huge distress to people, and we want to make the system work better for the people who need to use it. That is what we are here to discuss.

Q135 Jeremy Quin: I think that is very helpful, Minister. It might be necessary for the industry to inform potential customers that if they are not going to provide a standard service there is somebody else in the area who does; this is the cost and these are the people you need to speak to, upfront. As you say, as soon as you get in and start that conversation it is very hard to then extricate yourself. I think people need to be told upfront, "We provide an excellent service and it is huge value for money, but there is a standard provision made elsewhere by one of our competitors and these are they if you wish to get in contact with them if you are in those circumstances".

Baroness Altmann: Just that very suggestion hopefully might encourage the industry universally to decide to offer this, but that is what we are working towards.

Chair: Ros, can we now turn to where the current system fails and bring Mhairi in on our questioning?

Q136 Mhairi Black: We have heard in previous evidence sessions how public health funerals are generally considered undesirable given the fact that families do not always know when they will be happening and the general stigma that is associated with them given the fact that they are purely for public health reasons and control of disease. The number of public health funerals has risen by 11% over four years, and the cost to local councils has also increased, as much as £1.7 million in 2013-14. Local authorities are now having to put up burial and cremation fees in order to pay for the public health funerals. Is this is sustainable? Are public health funerals sustainable? Is this something that DWP is looking into just now?

Baroness Altmann: As far as I am informed, the public health funerals tend to happen where there is not a next of kin, where there is no relative. It is almost impossible to imagine, unless we have a forced savings scheme to cover a public health funeral for everybody just in case, a kind of national scheme where everybody has a certain amount of money perhaps set aside somewhere. It is hard to imagine that, so there will always be a need for the provision of public health funerals. I do not see that there is never going to be a need for that. People are going to pass away with nobody to arrange anything for them. That unfortunately is always going to be the case and, with an ageing population, the numbers may well increase again. I do not think that is a total surprise.

We would want the understanding that we can gain from the costings of the public health funerals to feed through to the rest of the funeral cost industry so that we can look at what might be available locally. The local authorities are going to be, if you like, shopping around and organising a funeral. This is still a decent funeral. This is not that horrible old term, the pauper's funeral. That is not what a public health funeral is these days. Again, if you have suggestions of what you think might be sensible improvements to the current system, we are listening.

Q137 Mhairi Black: Some of the evidence that we have heard has suggested that some people are having to turn to public health funerals because they cannot pay and it is seen as another option. With that in mind, would reforms to the social fund funeral payments help control the number of public health funerals?

Michelle Dyson: I think that comes back to the issues we have been discussing about how we can tell people about their other options in terms of keeping the costs down. If you can get a funeral at a cost of £1,800 I think that is quite similar to the cost of a public health funeral. That is possible. If people know that that is possible and if the social fund is giving them on average £1,300, then they may have a means of filling that gap. As we said before, there are budgeting loans available. Some people use their bereavement benefit pay-out to meet that cost. There are some charities that are able to help you. If we can get people aware of the options around lower cost funerals I think that would really help.

Baroness Altmann: I have looked into this, actually, and there is not a set public health funeral. Councils have discretion as to how they arrange these. I have a couple of descriptions of public health funerals taken off some of the local authority websites. It is clear that it is not the awful image that you might think of from Dickensian times. They will arrange a minister of religion. There is proper funeral hearse transport and so on. It is not the kind of image that one might have picked up. I am not saying that you have lavish flowers and luxury, but different councils are doing this differently. There is quite a significant difference in the range of costs of the different public health burials, cremations and so on. On average, if you look at Nairn it is £2,000. If you look at Beckenham it is £1,000. There are clearly quite big differences in the ways the councils organise it.

Q138 Mhairi Black: Is there a difference in the standard or the quality between different councils?

Baroness Altmann: There may well be, but there is also a difference in the cost of the actual burial plots, for example. Different councils have the budget to offer different amounts and, as I say, there is not a set standard funeral, which maybe we could look at while we are considering designing an ordinary funeral more generally for the social fund or, indeed, for ordinary family purposes.

Chair: I am sure we will pick up on that in our recommendations to you as you are opening the door so much to us.

Q139 John Glen: I would like to focus on support for cohabiting couples with children, which is a matter that we have discussed as a Committee in response to what appears to be an anomaly. I note that your predecessor in 2013 told this Committee that the aim of this package of reforms was not to generate a saving, yet by 2020-21 it is anticipated there will be an overall saving of £21 million. The Childhood Bereavement Network has calculated that if the National Insurance eligibility rate is the same for married couples, it would cost just over £21 million to extend the bereavement support payment to cohabiting couples with children. Given there is that saving and that will be the cost of extending it to that particular group, is that something that the Government would be ready to consider?

Baroness Altmann: I know that this has been carefully considered and we have just introduced the reforms to the bereavement benefit service. The principle that is being followed here is the same one that the National Insurance system uses elsewhere. It is the same for pensions. If you are a cohabiting couple, you cannot inherit your deceased partner's pension. This is based on the same principle. In any system like this, you do have to have some principles, but there are payments towards the funeral and there are means-tested benefits in the system. With universal credit, for example, your job coach will clearly take into account whether you have been bereaved. There are support mechanisms outside the bereavement payments service and, again, the bereavement payments service is meant to be a qualifying benefit from National Insurance. Unless we were changing all those principles or taking it completely outside that, we have just done these reforms and it has been decided in this way. I am not sure what comfort I can give anybody on that. I do not know, Pete, if you want to add anything?

Pete Searle: Absolutely. The other point I would make around that is it is part of a wider legal and tax and benefit system in a country where cohabitation and marriage/civil partnership are treated very differently. In the legal system, as you probably know, very different rights come with marriage and civil partnership. For example, cohabitees are not liable for the debts of a deceased partner, maintenance between partners is difficult to enforce, intestacy, and so on.

Q140 John Glen: I think the Committee understands that there need to be principles and there are other compensatory measures in other ways, but it just seems very difficult to justify to children who happen to have parents who have cohabited and not married that they are not eligible for the same support. It just seems a bit difficult. Can I focus on this projected saving, this £21 million? What is going to happen to that? What is the purpose of that? Obviously, the Committee's wider deliberations about some of the other matters might necessitate an additional cost in any recommendations. Is this sum of money, given it was not designed as a savings measure, something that we can reasonably expect would be looked at sympathetically if other suggestions were made?

Baroness Altmann: It is part of the overall benefit reform package so, as Pete was saying, there are other compensatory areas where bereaved cohabiting couples are treated more favourably than bereaved partners, civil partners or spouses. The actual figure that is forecast here is part of the overall envelope of the benefit reform and I am assured that it was not designed as a cost-saving measure directly in this way.

Q141 Chair: Is there £21 million there or not at the end of the day?

Pete Searle: I do not have the precise figure. It could be around that order of magnitude. Could I add, though, that I think you are just talking about the final year of the four-year period? There is a £90 million cost over the previous three years, primarily from giving more support and by not reducing universal credit through these reforms. Over the four-year period, it costs money rather than saves.

Q142 Craig Mackinlay: Ros, just to concentrate on those principles, I understand you have to have a point that you are on one side or the other. Just thinking about a cohabiting couple under the current arrangements, they have filled in a tax credit form or they will be filling in the universal credit form and they will be deemed by DWP to be a couple or within the family test. The day after, one of them dies; they are now not deemed to be a family, as it were, under the test of bereavement benefits. It just seems to me that, if DWP treat people as a couple on one day, how can they not the next day? Either have one or the other. I think there ought to be some continuity across this.

Baroness Altmann: It is the same principle as the National Insurance pension.

Craig Mackinlay: We could have a similar discussion about that point.

Baroness Altmann: Indeed, and where do you stop? That is, I guess, one of the difficult issues. We are trying to allocate resources. There is support for the children. There will be support through universal credit for the partner of whoever is deceased, so there will be support there. This is a specific type of support through National Insurance for married partners and civil partners. That is what it is designed to do. I am not sure, having just reformed it, what we would be able to do but, again, I hear you and I sympathise.

Craig Mackinlay: You can understand my conceptual problem with that, yes.

Baroness Altmann: Of course, I sympathise with someone, but overall, if we were to extend that, we would have to make it less generous for everybody. There are always trade-offs. It is not straightforward. I do understand sticking to the principles of National Insurance on this one, I must say. It is a one-off payment and a one-year payment that is specifically for that purpose for that group.

Pete Searle: I entirely take your point but they are slightly different purposes, the two systems. Universal credit means-tested benefits is about the ongoing living costs today and whether that should be shared between members of a couple, which is different from what should be inherited by a surviving member of a couple. They are distinct. I take your point, but they are distinct.

Q143 Heidi Allen: Kind of following on from that, one of the other big changes is around a bigger lump sum upfront and then this one year of payments afterwards. A lot of charities and people we have spoken to have suggested that sometimes it just takes a bit longer to get your life sorted again and that one year is just too short. They have even come up with some options, perhaps to reduce that first lump sum payment to allow an extension of that one-year period. I just wondered what sort of scientific research or evidence went into why you decided that one year was the right time to stop it.

Baroness Altmann: I know that we had a survey that suggested that the first year for most people was the most difficult period. I know, as far as I am told, we were looking at those different types of options, making it a smaller upfront payment and lasting over two years instead of one year. At the time, that was under consideration. The decision was made that, for the majority of bereaved partners, a year is the right time. It was based on a qualitative survey. It will not cover everybody. No universal system will.

Heidi Allen: No, of course.

Baroness Altmann: Certainly, again, I am assured that, within the benefit system, Jobcentre's universal credit will take account of the individual circumstance. If there has been a bereavement and there is an ongoing problem for the parent returning to work, for example, because they are still maybe having bereavement counselling or whatever it is, that will be taken into account. I do not know if you can add anything, Pete.

Pete Searle: There is no single right answer for what the right duration of payment is. What the Government started with was a proposition around just a lump sum, a much larger lump sum, and no ongoing payments, but in the light of the sorts of comments that you have heard from stakeholders, the Government decided that the best balance was this sort of lump sum and a 12-month period. The payment is designed to cover the additional costs following a bereavement, so it is not designed to be an income replacement benefit. Those additional costs tend to be more weighted towards the early months. That is why the Government chose 12 months, but it is not a precise science.

Q144 Heidi Allen: One little thing that really stuck in my head that hit home with me is that that one year is also the anniversary. Even just 18 months, even just pushing back past that one year, it struck me as, "Gosh, that is so obvious". Everything is going to come flooding back after one year and just when you might be starting to make progress, bam, it hits you again like a train. Whether there is some further view around pushing that out a little bit, from my point of view certainly, that is worth looking at.

Baroness Altmann: Do you think it would be better to start one month in and carry on to 13 months, for example? That has a different profile.

Heidi Allen: I do not know.

Craig Williams: Or reduce the payments slightly.

Heidi Allen: And elongate.

Q145 Craig Mackinlay: The thing was, Ros, that in that first year of someone's death, you have the first Christmas, the birthday, the anniversary of their marriage, and the anniversary of the death is the day that another change happens. It was just trying to soften that, I think, round the edges somewhat.

Baroness Altmann: No, I understand that. Of course, bereavement benefit was originally meant to be a widow's pension. That is how it all started. Then we widened it out to include men as well as women and it has now moved on. Now that we would expect people normally to be able to return to work, the period of a year was chosen. I do not know if this element was considered, the idea of an anniversary.

Pete Searle: The anniversary is a sensitive time. The payment is made a month in arrears, so the final payment comes a month after the anniversary of death rather than at the point of the anniversary. Now, whether a month is too close is arguable, but it is not precisely at the anniversary point.

Heidi Allen: It will never be the right time. This is hard.

Baroness Altmann: That is obviously the other issue and with the amount of money, you have the £2,500 upfront or the £5,000 upfront, plus the ongoing monthly payment to tide you over that first year. Administratively, I can understand why that is a sensible option. Emotionally, I can see the point that you make and I can also understand that within the cost envelope maybe one would look to pay less for longer, but administratively that would be more complex and costly. I do not know what those trade-offs were. I can certainly have a look at that.

Q146 Heidi Allen: In our recommendations, I suspect we will put forward what one of the charities suggested to us, which was, I think, broadly cost neutral, just reducing that initial first payment but then elongating it. They came up with some magic number of 2.6 years or something. Perhaps when that is included in our recommendations it could be looked at.

Baroness Altmann: That sounds a long time, actually, to me.

Q147 Heidi Allen: Yes, somewhere between the two, perhaps. One little point I would like to put on the record, not specific to this but just in our work generally: boy, that new job coach and his brave new world of Jobcentre Plus and universal credit, wow. That is something I think we really need to look at, because so much is going to be on the shoulders of these people: to give that discretion, that thought, that consideration, and be that mentor to that person, whatever the stage of life they are in. We really need to look at that closely because for me that is whether universal credit will work or not.

Baroness Altmann: It is a fundamental part of the reform. It is part of this effort to take account of the individual as much as you can within a universal system and look at their circumstances in a way that the previous system for decades just has not done. This is the effort to look at the person, help them in the way they need help, and that is the same with the universal support delivered locally. All these things are trying to move to a more compassionate system as much as you can when you have to design a system that will suit millions of people.

Q148 Chair: Very exciting, Ros, isn't it, the whole reform package, potentially?

Baroness Altmann: It is and it has huge potential to revolutionise all this. Of course, it is a big challenge.

Pete Searle: It is a very challenging role, you are absolutely right, but we do have some fabulous people in DWP doing that very role on the front-line. I think they will rise to that challenge.

Q149 Richard Graham: I am going to ask two questions, the first one perhaps for the Minister and then the second one perhaps more for Pete in particular. I guess the first one, Minister, is really about philosophy. Quite a lot of the discussion that we have had so far is around the edges of what exactly the responsibilities are of family versus state and, therefore, what the expectation is on families relative to state. We had a discussion earlier about whether, for example, the whole thing could be simplified by simply linking it to what benefits you were on, therefore, what you would get, but that does not take into account the wider family situation. You could easily have one person who is on benefits and very hard up but you might have a brother or sister who are fine and have plenty of money. There is a question there and I wonder whether an underlying philosophy in a sense could be put around this so that when people are coming online to look at these improved applications and so on they would get a clearer idea of what the Department's approach to this is.

The second one, which links into it in a sense, is what do other countries do? What do our European neighbours offer in terms of this? What is their philosophy? I suppose as a side line to that, if you are a European living and working here, how eligible are you for these bereavement benefits as well?

Baroness Altmann: From a philosophical point of view, certainly when somebody is looking at this, the overriding theme that they will initially, I believe, be given is that the Government would expect that people will have made provision for their own funeral. Certainly, for older people who pass away, that is a clear expectation. When you talk about a younger person suddenly passing away completely unexpectedly and not having any money set aside, that is when I think it gets much more complicated because there is not a clear message there. You cannot say somebody at 30 should have been expected to have a pot of money somewhere to cover their funeral. Maybe societally we decide that we want to go down that route, but I do not think anyone that I have heard is seriously suggesting that.

The philosophy is that the individual should have made provision ideally for some money for a funeral. Failing that, again, the philosophy and expectation is that a family member, partner or child would normally be expected to cover the cost or, indeed, parent if the need does arise. Failing that, you get into this system of who is entitled to help from the state, how much they are entitled to and what it will cover.

Q150 Richard Graham: Do you think that is laid out adequately at the moment? Do you think there is an understanding of that and that it is easy to find it?

Baroness Altmann: We have leaflets that we produce, which are available. I do not think they are available widely enough yet.

Michelle Dyson: I do not think they set that out in that way and I do not think our pages on gov.uk do it quite like that either.

Richard Graham: That was my point and—

Baroness Altmann: We are going to be looking at that. We are already working on redrafting it and also looking at how better we can make this information available. I have been looking at it in hospitals because if somebody dies in hospital or a care home or a hospice—

Richard Graham: And care homes and Age UK and all the range of clients.

Baroness Altmann: Exactly, and that is one of the things we are already looking at, at the point at which it is most relevant to make sure the information is available. Personally, I am not convinced it is enough to say, "Go and look up on gov.uk". I think we want to have leaflets and brochures for people to be able to just sit and look at. In this day and age, I know lots of people want to do everything online, but at that point and in this circumstance I personally do not think that is enough.

On the international side, we have done a table here of what other countries do and there is almost nobody that covers funeral expenses around the world.

Michelle Dyson: The table we have looks at 32 European countries. There are a few—I think it is eight—who do produce something on funeral payments, but almost all of them are lower than the UK, with the exception of Norway. The countries that we would normally look to as our comparator countries, France, Germany, they provide nothing.

Baroness Altmann: Lithuania gives €304. Spain gives €46.50 as a death grant. They have slightly different systems.

Q151 Richard Graham: Thank you. That is very helpful and I think it would be useful for us as written evidence for the Committee.
Baroness Altmann: Yes, we can certainly send that to you.

Richard Graham: That would be really helpful.

Q152 Craig Mackinlay: Is there one for Australia at all, Ros?
Baroness Altmann: This is Europe.

Pete Searle: I think they relate to Europe, but we can have a look.

Baroness Altmann: We will have a look at the others because I want to see what other countries do.

Q153 Richard Graham: Just very briefly on the second point on eligibility and European nationals who are living and working here and so on.
Pete Searle: The bereavement support payment is a death grant, so that is not a survivor's payment that is payable beyond the amount. If you are ordinarily resident in this country

and you have paid contributions then I would have to double check, but I think you would be entitled to receive the bereavement payment.

Q154 Richard Graham: Would it be possible, Chairman, to suggest that DWP comes back to us with just a bit of chapter and verse on that?

Pete Searle: Very, very happy to do that on the table and on that question.

Richard Graham: And whether there are any plans to reconsider that eligibility.

Pete Searle: Yes.

Baroness Altmann: Sorry, when I read out those figures, in Spain it is a death grant that is €46.50 and the same thing for Lithuania. For the funeral expenses, you have Slovakia with €80, Poland with 955; I assume it is zlotys. Norway is the one that looks generous. Apart from that, Estonia 250, Czech Republic 184, and the rest of them do not really offer funeral expense payments.

Chair: I think we should move on before any black humour develops on all of this.

Q155 Ms Karen Buck: Can I ask you a couple of questions about the treatment in respect of the new universal credit? You have been describing the new system in terms of making it more compassionate and there were clearly improvements in terms of the way the system will be treated in regards to conditionality. The way the system is operated now is that, in terms of the benefit cap, if you are on bereavement payments or you are receiving widow's pension, that is taken into consideration straight away for the benefit cap. Is there any disconnection between the treatment of these?

Pete Searle: The distinction is the current payments, because the widow's payment allowance goes on for longer, then it is effectively an income replacement payment. That means it is taken into account in income-related benefit calculation. It hardly benefits the lowest income bereaved people, whereas under universal credit with the new payment and the legacy means-tested benefits, it will be disregarded because it is a death grant about additional costs rather than an ongoing payment. In that respect, I think it is a much better system for those on lower incomes.

Going back to the point about duration, if we paid the payment for longer, that could mean that it becomes an income replacement payment and we would have to then take it into account in means-tested benefits and in the tax system as well. That is partly why a shorter duration payment is arguably better.

Q156 Ms Karen Buck: In terms of conditionality under universal credit, I think the guidance will be that people receiving the BSP will be exempt from the conditionality arrangements for six months and there will be discussion—

Baroness Altmann: They are entitled to easements after that as well.

Ms Karen Buck: That does not apply to the benefit cap, does it?

Pete Searle: The benefit cap under the new system, bereavement support payment—

Ms Karen Buck: I mean both the new system and the current system.

Pete Searle: I will cover both. Bereavement support payment is excluded from the benefit cap because it is a death grant rather than an ongoing payment, but the existing legacy bereavement benefit, so widow's payment allowance, you are right, is taken into account in the benefit cap. That is a change and it is because of the change in nature of the payment. Conditionality, you are right. I think that, under existing legacy benefits, if I have it right, conditionality exemption is rather shorter. I think it is three months but I can double check that. Under universal credit, yes, we have said that it is an exemption for six months but there is very much scope again for the work coaches at their discretion if something happens, which it could do after a year or year and a half, child distress or something. Then there is scope to remove the parent from conditionality for a set period again. It is, again, at the discretion of the work coach.

Q157 Ms Karen Buck: Particularly if the benefit cap is reducing, is it consistent with a compassionate policy to say that if someone is widowed and claims widow's pension, they are immediately subject to a reduced benefit cap, which means that if they are living in, say, private rented accommodation or in a higher cost area, they are immediately required to move and potentially become homeless? That seems to be an inconsistency in the way you are treating certain groups of bereaved parents.

Pete Searle: The Government's view is that the legacy bereavement payments are to do with ongoing living costs and should be taken into account in the benefit cap, this total amount of benefits that is fair for someone.

Ms Karen Buck: From day one?

Pete Searle: From day one. That is the Government's position on the legacy ones but, as I say, it—

Q158 Ms Karen Buck: Would you accept that there is an inconsistency between those approaches?

Pete Searle: I personally do not because I think the new system of bereavement benefits is of a different nature from the old system. That is partly why the Government are changing the system, but it is a markedly different treatment, I accept.

Baroness Altmann: Can I also just point out that all bereaved partners or parents who are receiving universal credit will be eligible for the conditionality whether or not they are actually receiving the bereavement support payments? That would cover the cohabiting partner, so you do not have to be in receipt of bereavement support payment.

Q159 Ms Karen Buck: A different point, but thank you for that. Between now and April 2017, parents in work who are newly bereaved and claiming WPA could end up worse off because of the interaction with universal credit and tax. That will change after 2017. Why not simply disregard that payment in order to prevent the risk particularly of some of the lower paid claimants being worse off?

Pete Searle: You are right, there is a technicality of the system and in theory we could make that disregard within universal credit. However, it is a relatively small number of people and a transitional issue—

Ms Karen Buck: All the more reason for exempting them, surely.

Pete Searle: But it is then difficult to build into the mechanics of the system. What we have done for those sorts of cases is build transitional protection in universal credit. If someone is migrated across who is receiving widow's payment allowance and if they were going to be worse off on universal credit, receive less under universal credit, there will be transitional protection of universal credit to make sure that they are not worse off. That universal credit transitional protection—

Q160 Ms Karen Buck: You are confident nobody will be worse off because of that technicality?

Pete Searle: That managed migration, the transitional protection, will ensure that they are not worse off in cash terms as a result of the change.

Q161 Ms Karen Buck: We are thinking that the transitional protection does not cover that group of people. That is the new bereaved parents who are going on to universal credit between now and 2017, in work, that transitional protection will not cover them. That is my understanding.

Pete Searle: This is not people who are on legacy benefits?

Ms Karen Buck: Not today's legacy cases, new parents in work, going on to universal credit today, who then become bereaved between now and the new system.

Pete Searle: Going straight on to universal credit as opposed to from legacy?

Michelle Dyson: So they have not been on tax credits?

Ms Karen Buck: They have not been on tax credits before. I accept it is not going to be a huge group, but nonetheless they will be cash losers and for each of them it matters a great deal, even if the total numbers are small. They will not be protected. Surely the simple thing to do for that group of people is to exempt them.

Q162 Chair: It is time limited so, Ros, might you look at this and come back to us?

Baroness Altmann: Sure.

Chair: Is that all right?

Pete Searle: We are happy to look at it and come back to you.

Baroness Altmann: We will come back to you.

Chair: Great, really good.

Q163 Steve McCabe: We seem to hear a lot about better communications in DWP. I know you have talked about it yourself, Baroness.

Baroness Altmann: My big challenge.

Steve McCabe: Today we have heard about the website and the brochure and yesterday I heard your colleague, the parliamentary Under-Secretary, the Member for North-West Cambridgeshire, in an SI. He was extolling the virtues of social media as the Department's preferred 21st century model of communication, certainly much better than direct mail according to him. Here we have a very self-contained measure in terms of this new bereavement payment support. You must have a really clear communication plan for how you are going to launch it and deal with all these things about communicating it clearly. Could you give us a clue as to what you are going to be doing?

Baroness Altmann: Are you recommending that we have some kind of national advertising campaign?

Steve McCabe: I am asking you, if you want to have better communications and you have this relatively self-contained measure, isn't this a classic opportunity to demonstrate a new, improved communication plan? I just wondered what thought was going on within the Department towards that. Is it the North-West Cambridgeshire model? Is it all going to be done on social media or are you going to have a mixture of things? We do not want to be here in a few years' time saying, "You launched this but nobody knew about it" and you saying, "It was on the website".

Baroness Altmann: That is what I was alluding to before. It seems to me that what we are considering is making this information much more easily and widely available in two ways. First, making sure that we have clear information at the point at which people will really need it. People are not necessarily, I do not think, going to look at information about bereavement and support and funerals when they are not in the position of actually needing to be organising one. Hospitals, hospices, even Citizens Advice bureaux, if somebody is going for help somewhere, making sure that it is available. Tell Us Once is a big opportunity to again help people be properly informed about what is available to support them. We are piloting, as I say, merging some of these systems together. Tell Us Once is a local authority service, whereas others are national services. It is not with a click of a button that you can do that, but that would be where I would be first looking, looking at the wording of how we communicate, which definitely does need some attention, and then looking at the point at which it is best to communicate and how to do so. That does not mean we should not have information online. That is clearly important, even if it is for somebody who is advising someone else who themselves might not be mentally or emotionally in the position to do it. Your friend, your partner, your sister, whatever it is, might be able to go online and look up what is available for you. We need to have it online, but I think we also need to have it for the individual.

Pete Searle: I think it is a really important, powerful point and we have more than a year before it comes in. In part of that final year of implementation, we are doing the regulations. Part of that will absolutely be how we can communicate this most effectively. As well as the pilot the Minister talked about, we have some customer insight research going on, particularly around awareness of bereavement support payments, how we can make sure we get that information in the right places, which is where customers need it, not where I might think I might want it, but get insight from them. That is very much part of our plans, but you are right to bring it up.

Baroness Altmann: The same with funeral directors. The National Association of Funeral Directors, one of the things we talked about at the roundtable that I had was how they can help us get some of this information out because, again, they will be directly in contact.

Q164 Steve McCabe: Just on a simple point there, I agree with you. It is highly unlikely that people are going to go searching out information for bereavement support if they feel things are going okay for them, but does that mean that the primary source of communicating this is going to be from those other stakeholder types that you mentioned? There is a plan emerging with hospices, local authorities, funeral directors; that is where you are going to target this first?

Baroness Altmann: That is where the current thinking is.

Pete Searle: That will certainly be part of the plan and registrars are a crucial piece.

Baroness Altmann: Yes, registrars, that is right, of course, registrars as well, because again that is where everybody has to go. They have to physically go to register the death, so all those points at which in that very important period straight after somebody has passed away you want to try to give people as much opportunity to have the information and give them clear information at the point where I think it is most needed, which is in that immediate period. Because that is all they are thinking about; that is all you may well be focusing on.

Q165 Chair: Ros, from what you have said there are two points in there that we would all contact during this period. One is the funeral undertaker that we will make contact with and the second is the registrar. If you could get what you are obviously aiming for, and with which we wish you luck, an agreement with the funeral directors for what would be a standard—whatever one calls it—funeral, that could be a cornerstone of a booklet that is handed out to everybody at those two points that they must make contact with after the death of a relative: the undertaker and the registrar.

Baroness Altmann: That would be what I would consider to be the ideal outcome.

Q166 Chair: I can see how you are pushing that, yes. Very good. Thank you very much, Ros, again for that session of evidence. If we could have your European and maybe beyond, table, we would be very grateful.

Baroness Altmann: Sure.

Chair: If you are able, again, to clarify for us, are we mistaken in taking what the Minister said in the previous Parliament that there was £21 million savings at the end—

Baroness Altmann: Yes, we will look into it.

Chair: —because we might have suggestions for how you would spend it or we may not have if it is not there. That would be really helpful. Thank you very much.