

Too poor to die?

January 21 2014, by Andy Dunne



A new policy briefing from the IPR will challenge government to rethink its system for funeral payments.

A new report, launched today (Tuesday 21 January) by our Institute for Policy Research, will argue that the current system of state support for funeral costs requires urgent review.

Launched at an event in Westminster, co-organised and hosted by the International Longevity Centre-UK (ILC-UK), the report challenges government to rethink its DWP-administered Social Fund Funeral Payment, which is highlighted as 'outdated', 'overly complex' and 'insufficient' at meeting the needs of the poorest in society.

With the average cost of dying having risen by 7.1% in the past year now standing at £7,622 (funeral, burial / cremation, plus estate administration) the report's authors estimate that over 100,000 people will struggle to pay for a funeral this year alone.

In spite of the lowest ever recorded mortality rates for England and Wales, the cost of dying has steadily increased over recent years. The average cost of a funeral in fact rose by a massive 80% between 2004 and 2013, and the costs of dying are expected to continue to increase over the next 5 years.

On average, the price of a typical funeral, including non-discretionary fees and a burial or cremation, is £3,456. The average amount spent on extras such as a memorial, flowers and catering is £2,006. Discretionary estate administration costs have increased significantly, to £2,160.

For families on low incomes, the Social Fund Funeral Payment, first introduced in 1988, is intended to support those who struggle to find the money to pay for a funeral. However, today's report challenges the effectiveness and availability of this provision. By highlighting an average shortfall of £1,277 that many face, the report suggests that 'funeral poverty' today is some 50% higher than three years ago.

The report also found that Local Authorities have experienced a small but notable increase in demand for Public Health Funerals, on the grounds that individuals are not prepared to organise or pay for the funeral of a family member.

Through interviews with claimants and key stakeholders, the researchers identified flaws with the current system, including how eligible claimants are obliged to commit to funeral costs before submitting their claim for Funeral Payment. By doing this they are making poorly informed financial decisions which risks debt for close family members.

Lead author from our Centre for Death & Society, Dr Kate Woodthorpe explained: "Medical advancement has made significant improvements to death rates. As a result people are living longer, which requires larger incomes and pension pots to ensure these extra years can be afforded.

Whether or not these will stretch to cover funeral costs is unclear. At the same time, the younger generations have less ready cash to call on, so they cannot necessarily be relied on to pick up the bill either.

"We know that the long term decline in death rates is about to reverse, with a projected rise in the number of deaths around 15-20 per cent in the next two decades. We also know that right now, with some of the lowest death rates ever recorded, the safety nets provided by the State via the Social Fund Funeral Payment and local authority Public Health Funerals are under pressure. Their sustainability into the future is debatable."

Baroness Sally Greengross, Chief Executive of the ILC-UK said:

"Modern medicine and advances in public health have led to falls in the number of deaths over many decades. But the pattern of falling death numbers is about to turn around and start to increase. This new University of Bath Institute for Policy Research report highlights that the social fund is not coping with the relatively small number of deaths we are facing today.

"With growing funeral costs, quite simply, growing numbers of people might find they can't afford to die. Government must act now before the current issue of [funeral](#) poverty becomes an even more significant future crisis. As a society we don't talk enough about dying. But nor do public policy makers. We must find a way to open a debate about dying early and ensure that we and our families are as prepared as we possibly can be."

More information: To access the policy briefing 'Funeral poverty in the UK: issues for policy' in advance see www.bath.ac.uk/ipr/our-publications/funeral-poverty.html .

Provided by University of Bath

Citation: Too poor to die? (2014, January 21) retrieved 16 August 2024 from
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