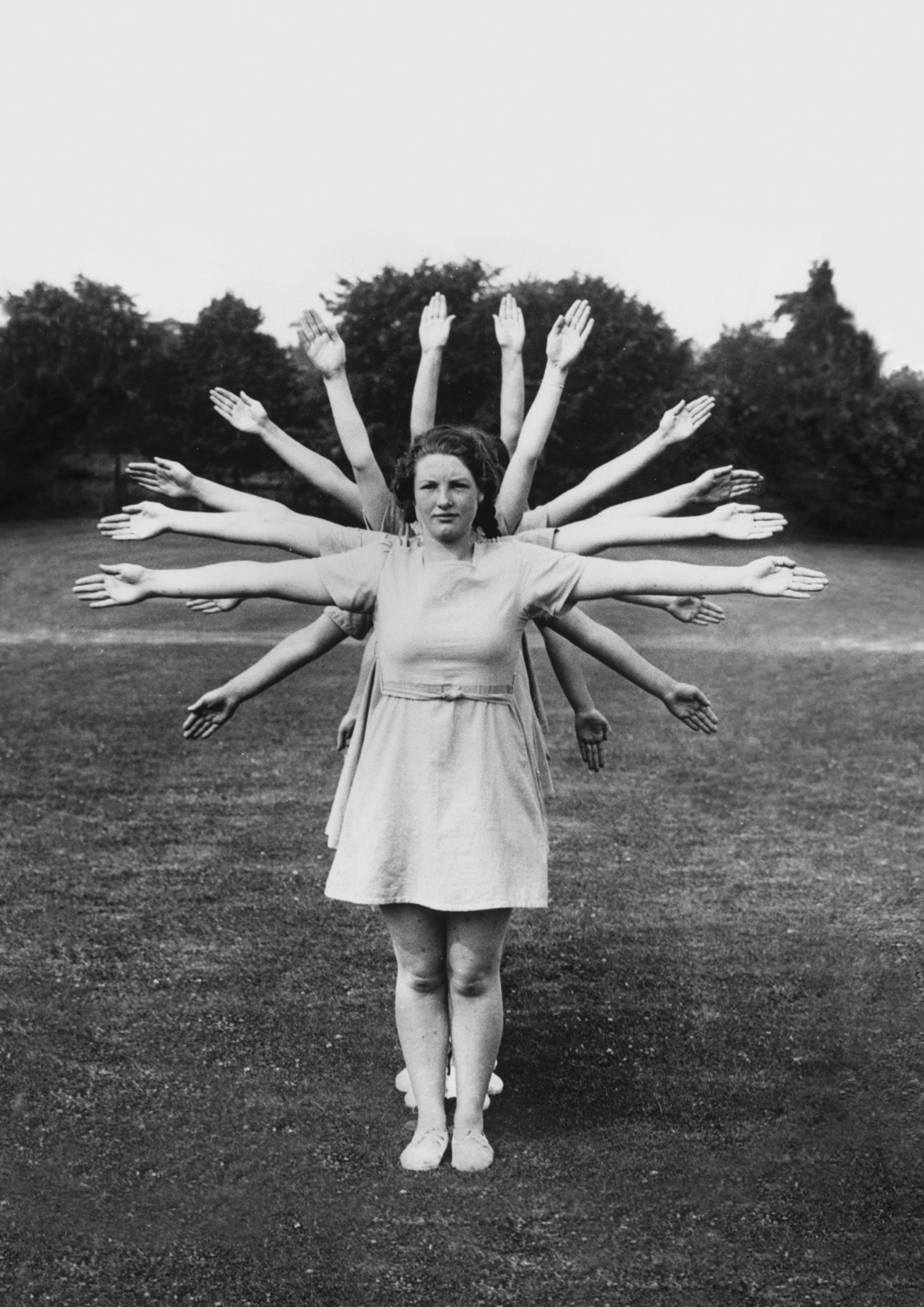




LOSING A PARTNER

The financial and practical consequences — Part 1

Research Report prepared by Trajectory for Dying Matters and Royal London



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FOREWORD



“Death and money are two of the things we find most difficult or inappropriate to talk about. But this report shows just how much the two are linked, and that the loss of a spouse or partner can hurt us financially for years to come.

We may know, or can try to imagine, how hard it is to lose a spouse or long-term partner. Some of us know that, painful as that loss can be, being more prepared for their death can take away some of the problems. But this valuable report explains in detail just how much the surviving spouse or partner will be affected financially and practically by bereavement, and how much difference it makes to be prepared.

In modern society talking about death and dying can be difficult or awkward, but we cannot plan until we have started to talk about it. We all need to make a will, a funeral plan, a plan for future care and support, and a decision about organ donation. And we all need to write these decisions down so that those who care for us can act on them.

Putting our financial affairs in order is actually one of the simpler things to do: making a will, taking out life insurance and keeping these policies and pensions plans up to date.

This report focuses on the practical and financial impacts of bereavement, and makes clear how long these will last for many people. The financial costs are more than just paying off a mortgage or paying for a funeral, and for some will last five years or more. From taking on new tasks around the home to dealing with companies or organisations for the first time, or in some cases having to deal with unexpected debts, too few people are prepared to deal with the death of a partner or spouse.

The death of someone we love and have shared our life with will always hurt. But we owe it to those we love for them to know that we have done what we can to minimise the consequences, and put our house in order. Talking about death and dying won't make it happen. But not talking about, or not planning for it, can leave individuals worse off than they need be. We never stop loving or missing someone we've lost, but there is no need for the financial and practical consequences to last for years as well.”

Claire Henry, MBE,
Chief Executive of
NCPC/Dying Matters coalition



EXECUTIVE SUMMARY

Nearly four in 10 people who die leave behind a spouse or civil partner¹. Seven in 10 (69%) of those bereaved say they felt either financially or practically unprepared for the death of their partner.

The Losing a Partner report presents findings from a multi-methodology programme of research designed to understand, help, and improve, the experiences and outcomes for people who lose their spouse or partner.

Such an experience is naturally devastating, and while we may not be able to prepare for every eventuality, we can mitigate the worst impacts and help avoid the most catastrophic financial and practical effects through better planning, preparation and greater support.

We consistently find there is more that can be done to provide better outcomes for those bereaved, with implications for individuals, organisations and policy makers as we look to change the way we talk about death in the UK.

In the first of our series of four reports, we have partnered with



Dying Matters to look at the report, ‘When Death Happens’. The report reveals the extent of the population affected by the death of a partner, and the lack of preparation prevalent amongst those left behind. In total, 190,000 people experience the death of their spouse each year² (including cohabiting couples, the number will be much greater) and seven in 10 (69%) of these will be unprepared in some way for the death. For everyone, preparation is essential and greater emphasis is needed on encouraging couples to plan for bereavement, and providing opportunities to do so.

The second report ‘What Happens’, due to be published in May in partnership with Cruse Bereavement Care and the Childhood Bereavement Network, explores the practical

and financial impacts of bereavement. While there is some awareness of the likely financial shocks associated with death of a partner, there is not enough awareness of their impact, and even less awareness of the need to adjust to changing roles, responsibilities and capabilities at home after bereavement.

‘The Biggest Impact’, published in the summer in partnership with Hospice UK, highlights the experiences of those who lose their partner suddenly and unexpectedly which happens to more than half (56%) of those bereaved under the age of 50. This report also explores the experiences of groups most severely affected, including women and those aged between 50 and 64.

The final in our series of reports, ‘What Goes Unsaid’, we partner with The National Council for Palliative Care and explore the impacts that gather less attention such as the effect of bereavement on both physical and mental health and social isolation and loneliness. We also consider the role that organisations, across the private, public and third sector, can play.

¹ ONS 2014 ² ONS 2014

INTRODUCTION

We can't prepare for every eventuality when we lose a partner but there are a number of things that we can prepare for. The death of a partner causes disruption and upheaval that extend into every corner of our lives, including our financial security, our health and the managing of day-to-day chores and tasks.

While the impacts are frequently devastating and life changing, we find that planning ahead – often starting with a conversation between partners – can avert the most negative consequences and help those left behind to carry on with life. However, even forward planning is unlikely to avert some of the unspoken consequences uncovered by this report, including ill health and loneliness.

Losing a partner was inspired by the social policy research unit at York University report published in 2008, *Financial implications of Death of a Partner*, which was driven by a need to go beyond existing research, and concentrates on the psychological and emotional impact of the death of a partner.

This report broadens the scope further, considering not only the financial implications but also the

practical and day to day impacts, both immediately after the death and up to five years later.

Importantly, it provides additional evidence to support the findings in *Financial implications of Death of a Partner*, including the burden borne by women, the immediate negative impact on income and the effect over time, the difficulties dealing with administration and the practical hardship faced as people adapted to new responsibilities at home.

In addition to adding weight to these findings, this research has also broken new ground, including understanding the impact of illness on outcomes for those who lose their partner and the impact of bereavement over time (up to five years after the death). These new findings build upon that which was already known to greatly enhance our understanding of people's experience at this difficult time.

Acknowledgements

The authors would like to thank in advance the contributions from the following for their time and expertise in reviewing and or making helpful comments to shape the report and tease out key findings:

- **Anne Corden**
– Senior Research Fellow
SPRU York University
- **Debbie Kerslake**
– Chief Executive Cruse
Bereavement Care
- **Harriet Lancaster**
– Researcher to Professor the
Baroness Finlay of Llandaff
- **Alison Penny**
– Coordinator, Childhood
Bereavement Network
- **Toby Scott**
– Communications Manager for
the NCPC & Dying Matters
Coalition
- **Kathleen Caper**
– Head of Policy and Advocacy
Hospice UK

Simon Cox,
Royal London Consumer Division

WHEN DEATH HAPPENS

Seven in ten (69%) of people recently bereaved said they were unprepared for the death of their partner either financially or practically, yet the reality is that the more we prepare the more we can mitigate the worst outcomes.

More than 600,000 people died in the UK in 2015, and each bereaved person was affected in a number of ways. The emotional impact of losing a loved one is devastating, but the practical impacts of death can extend well beyond this, changing people's daily routines, their ability to keep in touch with friends and family, and in many cases weakening their financial security. Not only do those

bereaved experience myriad pressures and needs, but in many cases these issues are either poorly understood or simply overlooked by both individuals and the organisations with whom they come into contact.

According to the Office for National Statistics (ONS), 190,600 people lost their spouse in 2014, accounting for two in five (38%) deaths, and calculations from Royal London show nearly one in five (18%) of cohabiting couples also lost their partner.

The statistics on the number of people who die are well known already and widely documented. However, less well known is the

level of preparation that people undertake before they die and the impact of bereavement (financially and practically) on those left behind.

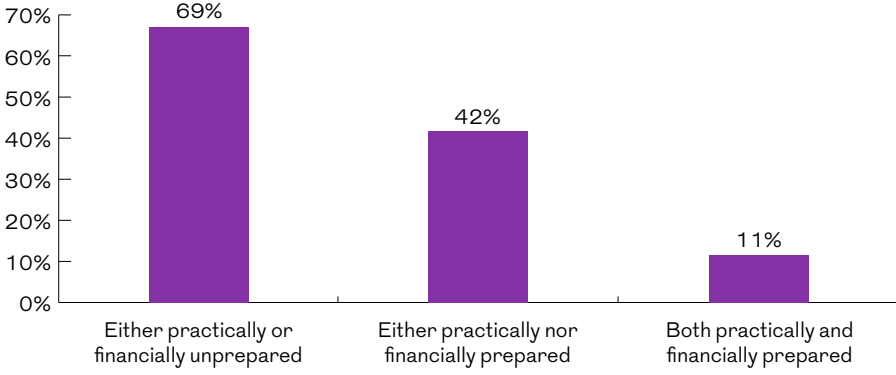
Levels of preparation

Of the 500 people surveyed, 69% said they felt either financially (e.g. meeting costs or adapting to lower income) or practically (e.g. managing day-to-day tasks at home) unprepared for the death of their partner. Four in 10 (42%) said they were unprepared both practically and financially, while only a small minority (11%) said they were completely prepared for the financial and practical impacts of bereavement. Across the population of bereaved spouses, this would mean that at least 131,514 people are bereaved each year and are unprepared for what they will experience.

Throughout this series of report the data shows that people who have taken more steps to prepare themselves – and who felt practically or financially prepared for what they would have to face – are likely to experience less upheaval and greater financial security than those who are unprepared. But at this stage it is important to understand what we mean by 'prepared'.

Chart: Levels of preparation

Q: Taking everything into account, how prepared were you financially/practically for the death of your partner?



Source: Losing a partner – the financial and practical consequences, 2015 (Base: 500)



Financial impact

There are steps that someone can take (and indeed 73% do at least one of them) to prepare themselves for losing their partner. The first is to discuss the issue with their partner, although for many this is a stumbling block. As a result simply talking about it might not be enough to ensure that people are prepared. Talking about it is often the biggest hurdle, but it has to lead to action. The more people can plan for death, the more they can get out of life. Death and dying are prospects that people find difficult to approach in detail, in part because it can be a depressing subject, and in many ways it is still a taboo subject. Many may simply not want to think about it at all – effectively denying the issue.

In addition to the quantitative study this research included in-depth qualitative discussions with people who had recently been bereaved. In several of these case studies, the preparation had started and ended with a short discussion about the prospect of death, but often this discussion had led to no action, or insufficient action (such as reassurances that things were in order, or that a will stipulated everything). Ultimately, these case studies reported that after the

death, this level of planning had not prepared them for the reality of what needs to be done following death, or given any signal of the changes that happen in life over a longer period of time.

A greater level of preparation would involve specific action of some kind; such as making wills and ensuring that both people have access to bank accounts or assets, or taking out a financial policy, such as life insurance or a funeral plan, to help with bills following death. If required, more specific planning may include arranging for a Lasting Power of Attorney for either property or personal welfare. While the focus of this research has been on financial and practical planning, people should also consider planning for the funeral arrangements, organ donation, advance care planning and lasting power of attorney to ensure they are as prepared as possible.

Practical preparation

The impact of death can last for a long time, and for many, being prepared is not just about covering the mortgage, making funeral arrangements or sorting out the deceased’s estate, but the changes that occur on a more practical level. This may include the loss of capabilities at home or social

isolation at a time of great emotional upset. Both our case studies and the quantitative research found that while many are aware of some of the financial costs of bereavement – at least in the short term – they can underestimate the potentially devastating effects that the loss of a partner can have on their day to day lives long into the future.

With more than two-thirds (69%) of people unprepared in some way for the death of their partner, it is important to understand what the stumbling blocks are. For many, it is simply not wanting or not being able to discuss the subject openly with their partner due to the depressing and potentially emotional nature of the conversation. While this is an understandable barrier, it is one that can make the experience of bereavement even harder, with the shock of the experience amplified. For others, the issue is more nuanced; many can either not realise the full scale of things they may need to discuss, and others can think they are prepared, only to realise when the time comes that they are not.

It is also important to understand the nature of preparation where it does occur. Although only a minority say they were fully

prepared, where people are only partially prepared they are more likely to be prepared financially than practically. Practically prepared can mean a range of different things, including feeling that the household is in order so that the person left behind will be able to take care of chores, health check-ups and stay in touch with family and friends after the death.

The case studies provide confirmation of this, indicating that where people do plan for death their first consideration is financial, and only after those elements are in place is the practical side considered – if it is considered at all.

In many aspects of life, greater preparation leads to better outcomes, and the evidence demonstrates that dealing with a bereavement is no different. The extent of this preparation is also key: while for many couples the most obvious and tangible issues will be financial, it is also vital to prepare for the day-to-day practical impacts – from loss of capabilities at home to experiencing ill health.

What does this mean?

Our study shows there are steps that people can (and do) take to

mitigate the impact of losing a partner.

For most couples, whether younger families, those approaching retirement or those already retired, this should start with a conversation about the prospect of death. For those planning ahead, this preparation can be prompted by significant life events – such as retirement, the death of a family member or simply reaching a certain age. This is the ideal place to start as long as it leads to action, such as writing or updating wills, inheritance tax planning or buying life insurance or a funeral plan. Preparing not only helps for the period immediately after the death but for the longer term. Couples also need to consider which everyday life capabilities or skills, such as cooking, cleaning or dealing with bills, will be lost at home when a partner dies.

There is more that can be done by caring or third sector organisations actively intervening and being as vocal as possible about putting plans in place – including things to consider before people become ill. Financial organisations can also have a role to play – banks and building societies, for example, are reforming the way they treat bereaved people by helping those

that are reporting a death. For these organisations, it is imperative to move beyond discussions focussed purely on financial consequences and bring to life the practical considerations of bereavement. Many people will need help as they embark on this process of planning and preparation, and there is more that support or advice services can do to guide couples through it.

This role is vital due to the fact that, if people are able to easily connect with services that help them make concrete plans, the danger of preparation starting and ending with a brief and uncertain conversation diminishes. It is then more likely that talking leads to action, which in turn leads to those left behind being more prepared.

The evidence from our research suggests that the more preparation made by couples (i.e. making specific plans like writing a wills or buying life insurance), the softer the blow if the worst were to happen.

For public, private and third sector organisations there are multiple opportunities for intervention to prompt this planning, and a need to shift the focus from financial to non-financial considerations.

CONCLUSION

The death of a loved one is a devastating experience, and as this series of report reveals it has the potential to influence experiences, financially and practically, in the short and long term. From an immediate drop in income, through to depletion of savings over time, and worsening financial security, the monetary impacts are compounded by day-to-day ones, as those left behind can struggle to make do without the help and support of their spouse or partner.

These effects ripple through the lives of those who have lost a partner into health services and welfare benefits, the labour market and local communities. Each of these has a cost – financial, psychological, practical, and social.

Those who plan are likely to have better outcomes, and those who plan more will see their outcomes improve further. While planning might start with a conversation, in order for people to be more prepared, they must take action following the conversation. Making a will is the most popular action that individuals take but other action that could also help include creating a joint account

or purchasing an insurance policy to financially cope with losing a partner.

It's not just finances that need to be in order as there are practical consequences too. These can range from day-to-day tasks such as cooking and household chores to wider jobs like arranging health check-ups and car maintenance. We take everyday tasks for granted, yet they are likely to have just as big an impact so the bereaved can rely on friends and family for help.

The burden of preparation does not fall on the individual's shoulders alone. There is much that we and other organisations can do to prompt planning and to connect people with the services they need when their partner dies. Health and care services, such as hospitals, care homes and charitable hospices, supporting people at end of life are very well placed to assist families and partners to have conversations about the future. They should encourage people to think about the financial and practical next steps, and support people to take action.

Tom Johnson,
Director, Trajectory

Preparing financially

Talk to your partner

Preparing practically

Talk to your partner

Unprepared

39%
Of bereaved who had no plans, saw incomes fall

Methodology

This report presents findings from a detailed programme of research into the experiences of people who have lost their partner, revealing the extent to which life can change following the loss of a partner. The research was conducted by Trajectory Partnership on behalf of Royal London and Dying Matters.

To generate these insights we used |a multi-methodology process, including a rapid evidence review of existing research and information, analysis of Understanding Society data, qualitative research and a quantitative survey.

Methodological Process

- Evidence review
- Initial qualitative interviews with six case studies
- Quantitative survey (online) with 500 people whose partner had died in the previous five years
- Additional qualitative interviews with two case studies

The first phase of qualitative research comprised six in-depth interviews with people who had recently lost their partner, conducted in Croydon and Nottingham. These case studies

Sample details for the quantative survey

DEMOGRAPHIC		%
Gender	Men	40%
	Women	60%
Age	Under 50	40%
	50-64	32%
	65+	28%
Social Grade	ABC1	58%
	C2DE1	42%
Nature of death (self reported)	Bereaved suddenly	38%
	Bereaved after a short illness	36%
	Bereaved after a long illness	26%

were recruited using free find methods and our interviews with them were directly informed by the evidence review conducted previously. After the quantitative research was completed, an additional case study was recruited through WAY (widowed and young) to provide the perspective of someone bereaved under the age of 50.

These case studies provided us with a deep understanding of the issues people faced after the death of their partner, in a financial and practical sense. They also revealed the role of other factors in determining experience, including the level of planning people reach, the loss of skills at home and the role of institutions and organisations after death.

In the final part of the research, these issues were quantified in an online survey of 500 people whose partner had died within the last five years. This survey was completed by members of Research Now's consumer panel between 24 September and 20 October 2015.

Due to the potential difficulties of conducting research with this group, no demographic or economic criteria were placed on the respondents, with the only qualifying criteria being that their partner or spouse had died within the previous five years. The sample included a large range of different demographics, but being an online survey included a larger proportion of under 65s than typical across the whole population.

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