

**PAYPLAN'S
GUIDE**
TO DEALING WITH
DEBTS AFTER
BEREAVEMENT



WHAT IS THIS GUIDE ABOUT?

Coping with the loss of someone close to you can be devastating. If you're also faced with sorting out their financial matters, everything can seem so much harder. We are here to help.

This guide has been designed to help you understand what you need to do following bereavement, particularly when debts are involved.

DEALING WITH BEREAVEMENT

For more in depth practical advice about what to do when someone dies, we would like to point you in the direction of the National Bereavement Service. You can find lots of information on their website – <https://www.thenbs.org/> or you can call their Helpline on **0800 0246 121**.

If you feel you're in need of emotional support during this time, we suggest you get in touch with Cruse Bereavement Care on **0808 808 1677**, or take a look at their website www.cruse.org.uk.

THE FIRST STEPS

There are steps that need to be taken in the first few days after someone dies.

- You will need to obtain a medical certificate from a GP or Hospital – this will contain the cause of death and is required to register the death.
- You'll then need to register the death within 5 days, or 8 days in Scotland. You can do this by going to the registry office closest to the place where the death occurred. They will issue a death certificate.
- The funeral will need to be arranged, which can be done with the help of a funeral director.

Please note that if the death was unexpected and a coroner is involved, the above process may be delayed whilst cause of death is established.



DEATH NOTIFICATION SERVICE

The Death Notification Service has been created to allow you to notify a number of banks and building societies about a death at the same time, rather than having to contact each one individually. Below is a list of financial institutions that are involved in the service.



To access the service, you need to visit www.deathnotificationsservice.co.uk and set up an account. You can then press 'submit death notification'

You will be asked to fill in the name, address, date of birth and date of death of the deceased. You can also enter the funeral date, so banks know not to contact you on that day.

If you have a death certificate, enter the reference number. Without a reference number, the service will still notify banks that you have reported a death, but flag that it has not yet been registered.

You'll need to provide your details and a contact number to be passed on to the banks.

You will be asked who is dealing with the estate, so all correspondence goes directly to them. The last step is to enter details of the accounts you know about and pick the banks you want to notify.

You don't need account numbers but being able to quote these will make the process easier.

Once you've set up an account with the service, you will have three months to add other banks if you find you need to.



BEREAVEMENT BENEFITS

Bereavement Support Payment

If your spouse or civil partner died after 6th April 2017, you may be eligible for a one-off, tax free lump sum in addition to a monthly payment dependant on whether you get Child Benefit or not. This is known as Bereavement Payment.

If you do get Child Benefit the first payment will be £3,500 and monthly payments will be £350.

If you don't get Child Benefit, your first payment will be £2,500 and monthly payments will be £100.

The monthly payments will only be payable for the 18 months from date of death.

To qualify, at the time of your spouse or civil partner's death, you must be either:

- Under State Pension age
- Over State Pension age AND your spouse or civil partner wasn't entitled to a State Pension based on their own national insurance contributions

For further information on bereavement benefits please see <https://www.gov.uk/bereavement-support-payment>

In addition to this, your spouse or civil partner needs to have either:

- Paid enough national insurance contributions
- Died because of an industrial accident or disease

Bereavement Support payment will not affect any benefits you receive for a year after your first payment. After that, any leftover payment could have an impact on the amount of benefits you may be eligible for.

Bereavement Payment

If your spouse or civil partner died before 6th April 2017 you may be able to get a £2,000 Bereavement Payment.

You may be able to get Bereavement Payment if at the time your spouse or civil partner died, you were either:

- Under the State Pension age
- Over the State Pension age AND your spouse or civil partner wasn't entitled to a State Pension based on their own national insurance contributions

You can't get a bereavement payment if:

- You were divorced from your spouse or civil partner
- You were living with another person as husband, wife or civil partner
- You're in prison

TELL US ONCE SERVICE

Most local Governments offer a Tell Us Once service. This allows you to notify multiple agencies about the death, without having to speak to each of them individually.

More information about the Tell Us Once service can be found online - www.gov.uk/after-a-death/organisations-you-need-to-contact-and-tell-us-once or by calling 0300 555 2345.

The service often includes:



When using the service, you may be asked for the following information in relation to the deceased:

- Details of benefits they were claiming
- Council services they were using including Blue Badge
- Name & Address of next of kin (and surviving partner if different)
- Name and address of executor or administrator to the Will

Help with funeral costs

You may be able to get help with funeral expenses, known as Funeral Expenses Payment, if you are receiving certain benefits and the following applies:

- You get one or more of the following:
 - Income Support
 - Income-based Jobseekers Allowance
 - Income-related Employment & Support Allowance
 - Pension Credit
 - Housing benefit
 - Disability or severe disability element of Working Tax Credit
 - Child Tax Credit
 - Universal Credit
- You meet the rules on your relationship to the deceased:
 - You were the partner of the deceased when they died, or
 - A close relative or close friend of the deceased, or
 - The parent of a stillborn baby born after 24 weeks of pregnancy, or
 - The parent or person responsible for a deceased child who was under 16 (or under 20 and in approved education or training)
 - The funeral being arranged is in the UK, the European Economic Area (EEA) or Switzerland (if the funeral is taking place in the EEA or Switzerland you will need to contact the Social Fund)

You must apply within 6 months of the funeral or can make an application before the funeral, providing you have an invoice or signed contract from the funeral director. An estimate will not be accepted.

For more detailed information on England & Wales, Scotland and Northern Ireland please visit website - <https://thenbs.org/probate-legal-services>

Bereavement Service helpline: **0800 731 0469 (Textphone 0800 731 0464)**
<https://www.gov.uk/government/publications/funeral-payment-claim-form>

WHAT HAPPENS TO OWNED PROPERTY IF SOMEONE DIES?

If the property was owned solely by the deceased, then the whole property will become part of the estate. If there is a mortgage outstanding on the property, the estate will be used to pay as much of the remaining mortgage as possible.

Where the property is jointly owned and there is an outstanding mortgage, the surviving joint owner will become liable for the full mortgage. The type of joint ownership will then affect how the property is dealt with.

TENANTS IN COMMON	JOINT TENANTS
The deeds of the property will dictate the share each joint owner has of the property.	Each owner owns 100% of the property, not a share of it.
The ownership share does not have to be equal.	
Shares of the property do not automatically pass to the surviving joint owner.	When one owner dies, the property will automatically pass to the surviving joint owner.
The deceased persons share will form part of the estate and will be available to pay Creditors, along with anyone else named in the Will.	The deceased owners share does not form part of the estate and cannot be used to pay creditors.

We hope the information contained in this leaflet is useful to you at this difficult time, should you have any questions or if there is anything else we can help you with, please do not hesitate to contact us.



Call us free on **0800 280 2816**
(0800 numbers are now free from landlines and mobiles)
We're open 8am – 8pm weekdays and 9am – 3pm Saturdays

[payplan.com](https://www.payplan.com)  [@payplan](https://twitter.com/payplan)

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