

# **Bereavement Support Payment: Guidance**

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## **Bereavement Support Payment**

Bereavement Payment, Bereavement Allowance and Widowed Parent's Allowance were replaced by the Bereavement Support Payment (BSP) for deaths occurring from April 2017 and where the deceased has paid sufficient National Insurance contributions.

It applies to new claimants only.

Existing claimants of Bereavement Benefits and Widows Pension will continue to receive current benefits and BSP will only apply to cases where the death has occurred on or after 6 April 2017. This benefit is only for those who lose a legal spouse or civil partner and the claimant's age does not affect the amount received

A BSP claimant re-marrying or re-partnering does not affect payments.

## **Payments**

BSP consists of an initial higher payment followed by up to 18 smaller monthly payments at a set standard or higher rate:

- Standard rate - £2,500 plus 18 x £100
- Higher rate - £3,500 plus 18 x £350

Payments are made on a calendar monthly basis.

The higher rate will be applicable for those who are pregnant or have dependent children at the time of death.

BSP is not means-tested and all payments are tax-free. Any relevant changes will take effect from the monthly payday following the change. There are no part month payments.

## **Impact on Universal Credit**

Payments are disregarded for the purpose of Universal Credit, other means-tested and contributory benefits and for the Benefit Cap.

The initial higher payment (plus any arrears if applicable) will be treated as capital and disregarded for 52 weeks from date of payment. The smaller monthly payments will be disregarded as income in the month they are paid.

Any BSP money left after 12 months will count as part of the claimant's capital and may affect their Universal Credit payment.