

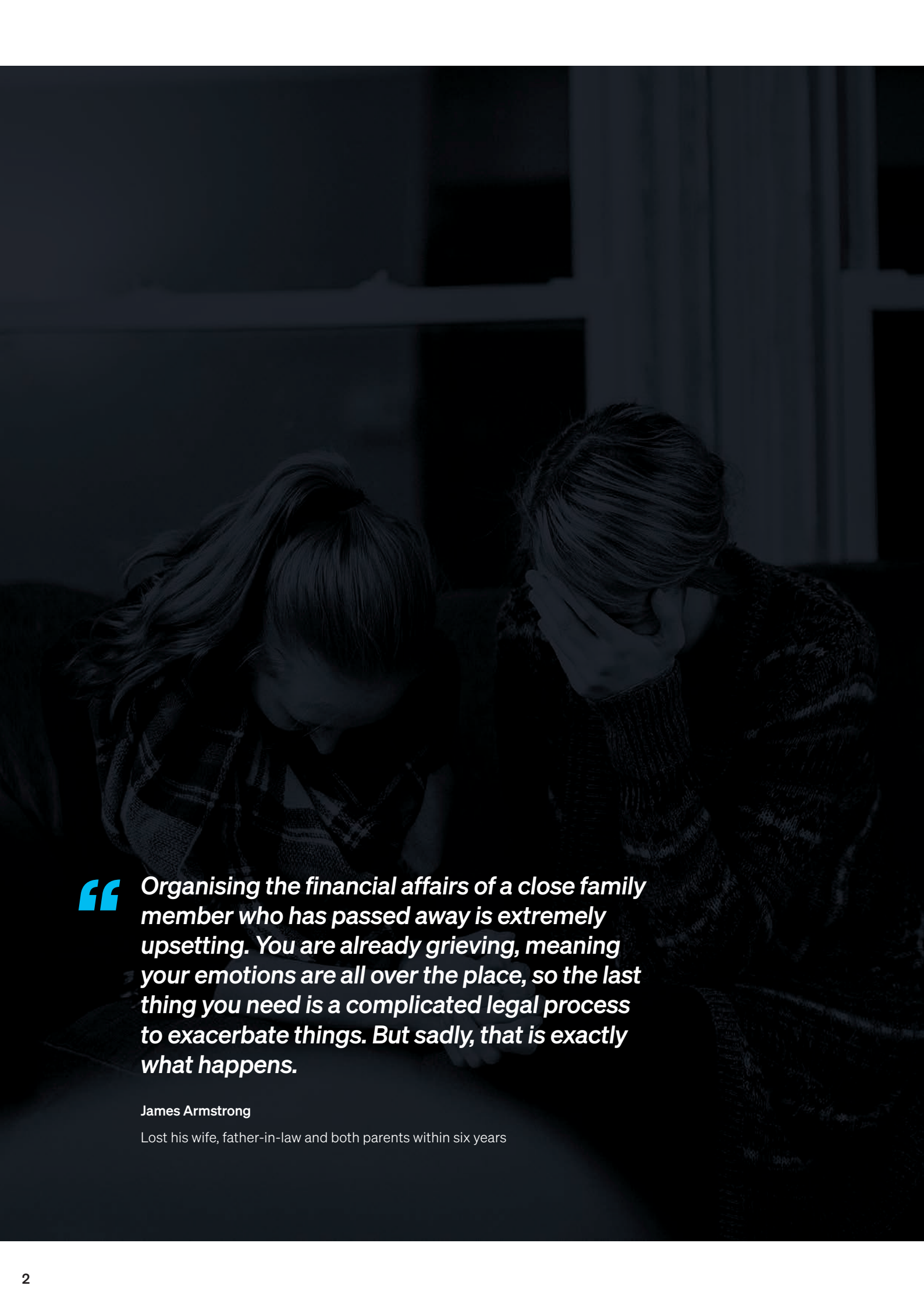
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The Bereavement

Index

2021

exizent



“ Organising the financial affairs of a close family member who has passed away is extremely upsetting. You are already grieving, meaning your emotions are all over the place, so the last thing you need is a complicated legal process to exacerbate things. But sadly, that is exactly what happens.

James Armstrong

Lost his wife, father-in-law and both parents within six years

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Foreword

Welcome to Exizent's first annual Bereavement Index. We have spoken to all those involved in the administrative processes related to death – from the recently bereaved to legal firms and financial institutions – to shine a light on the emotional and financial impact of current processes on those involved and set out what we think can be done to help legal services firms and institutions improve the experience for the bereaved.

Whilst those who had been through the bereavement process said organising the funeral was the most stressful part, our research found that dealing with probate was just as traumatic. Probate is the legal and financial process of dealing with the property, money, and possessions of a person who has died, and in most cases, the person dealing with probate is a relative or close friend of the deceased. Many people die without putting their financial affairs in order, implicating both the bereaved tasked with handling probate and legal professionals. Probate cases are frequently delayed, often a consequence of the challenge in finding all the estate's assets.

At an already challenging time, handling estate administration is an added burden for those that have lost a loved one, exacerbated even further by the fact that most know very little about the process before they start. The majority of those who have dealt with probate recently said it took longer than expected, over a third said it was harder than expected, while nine out of ten said it made them feel stressed.

Not only is probate stressful, slow, and complicated, it can also be expensive. For one in four people, covering these costs causes financial difficulties, and in turn, two thirds of this group suffered mental health issues as a result.

Death is a difficult time for everyone. And sadly, as we have discovered in our report, the processes that come with it can be lengthy, repetitive, and complicated, dragging things out for everyone involved. Legal professionals themselves admit that the probate process is not fit for purpose, with most suggesting that better communication with financial institutions and easier access to asset data could be the solution.

We believe estate administration should be simpler, and that modern technology solutions can make this a reality. Our new platform aims to put everything in one place, making it easier for legal services firms and institutions to work together to sort out what is needed, easing the burden on executors and families.

5%

found the whole
bereavement process
extremely stressful

40%

suffer mental health
issues administering
an estate

The true cost of bereavement

Losing a loved one is never easy, but unfortunately, the processes involved with bereavement often make things even more difficult. We talked to people who had recently lost someone about their experiences of organising the death certificate, the funeral and probate and almost all (94%) said they had found at least some of the process stressful. 1 in 20 said they found it all 'extremely' stressful.

The pressures of dealing with the administration involved when someone dies can become all-consuming, and sadly for two in five (40%) people, dealing with the bereavement process causes mental health problems.

Women are almost twice as likely to suffer mental health issues as a result of the stress of managing the bereavement process than men, while younger adults are more vulnerable to mental health issues as a result of managing the bereavement process than older people.

94%

of people found at least part of the bereavement process stressful



64%

of firms say delays from financial institutions causes their clients to become stressed

39%

of law firms say that in at least half of bereavement cases, the clients need emotional support from someone within the firm

21%

have people trained to help those clients who suffer



37%

suffer mental health issues administering an estate



61%

56%

18-44 year olds

suffer mental health issues administering an estate

43%

45 + year olds



A financial mess

1 in 7 people have hidden assets

A key part of administering an estate is gathering the assets of the deceased, but this can be problematic if the person died without putting their financial affairs in order.

Of those who were tasked with collecting the assets of someone who had recently passed away, 1 in 7 (14%) said that not all assets were known when they started the process, while 1 in 20 (5%) said none of the deceased assets were known at the outset.

And this is backed up by legal professionals who say that, on average, just less than half of their clients have all their affairs in order when they die.

Because so many people pass away without having left details about the true size of their estate and assets they hold, 37% of accounts are only discovered during the probate process.



37%

of accounts are not known at the start



5%

of cases, no assets were known at the start



60%

of law firms say less than half of their clients have all their affairs in order



26%

of law firms say between 20 and 30% of assets are unknown



Making a will is the perfect opportunity to build good records, which are vital in easing the administration of an estate. It's also important to recognise that assets aren't static, and therefore records need to be maintained. Practitioners can gain enormous efficiencies and help reduce stress in post-death administration by leveraging technologies like Arken's that help record and review asset details in line with wills.

David Newick
CEO, Arken.Legal

Probate is one of the most stressful and difficult parts of the bereavement process

We asked people who had recently been through the bereavement process about the parts they found the most difficult. Perhaps understandably, the most upsetting and stressful part was organizing the funeral, with nine in ten saying they found this stressful, one in five of whom found it ‘extremely stressful’.

However, perhaps more shocking is the fact that for most, dealing with probate was just as traumatic. More than a third said they found the probate process harder than they’d expected, while nine out of ten said it made them feel stressed.

Overall, one in six found handling probate ‘extremely stressful’, but in cases where not all the deceased’s assets were known at the start

of the process, the person dealing with their estate was twice as likely to become ‘extremely’ stressed.

We asked probate professionals what, in their experience, causes clients to become stressed or complain during a probate case (respondents were asked to select all that apply).

Sources of client stress and complaints	%
Delays from financial institutions or asset holders	64
Delays from courts	48
Lack of communication or information about the progress of the case	34
Disputes or contentions from other family members/firms	35
Unexpected costs or disbursements	22
Not applicable/not sure	7





91%

found organising
the funeral stressful



87%

found probate
stressful



73%

found registering
the death stressful



36%

found administration of
the estate harder than
they'd expected



The time conundrum

Probate is inefficient and full of delays

According to two thirds of legal professionals, at least 25% of probate cases are delayed, and the main cause is financial institutions. Most firms have to wait at least four weeks to get the information they need from asset and liability providers.

On average, it takes around five months to complete probate, but in 1 in 11 cases, it takes at least a year. According to legal firms, finding all the relevant assets related to an estate is a major cause of delay, which is perhaps why it takes a month longer on average to complete the process if the person did not have their affairs in order.

More than half (51%) of those who recently handled someone's probate said it took longer than they'd expected, rising to two thirds where not all assets were known at the start.

And while legal professionals are also frustrated by the process, with 88% saying it is 'slow and complicated', of those, 25% are resigned to the fact and say that 'it's just the way it is', however, 75% think they could handle probate better.

5 
months

Average time taken to administer an estate

6 
months

Average time taken to administer an estate when assets are not known

9%

of probate cases take a year or more

51%

said the probate process took longer than expected

The top causes of delays	%
Awaiting responses from other institutions	78
Institutions slow to respond	74
Finding all the relevant assets	47
General administration	36
Institutions unable to provide all information	28
Drafting legal documents/dealing with the courts	22
Someone contesting the validity of the will	21
Paying the IHT bill	21
Tracing family members if the deceased did not leave a will	10
No will/couldn't locate the will	9
One or more listed beneficiaries cannot be found	7
Issues with data access	7
Proving a relationship between a beneficiary and the deceased	5
The executor of the will has died	2

64%

of firms say at least a quarter of probate cases are delayed

78%

of law firms say awaiting responses from institutions cause delays

31%

say this is THE main cause of delay

52%

think their firm could handle probate more efficiently

Top 5 ways efficiency could be improved

1. Simpler asset discovery process
2. Better relationship with financial institutions
3. Better technology or software
4. More staff or a dedicated team
5. Better relationship with clients



Managing bereavements remains a significant challenge for retail financial services companies. They're under pressure from the exceptional rise in pandemic related deaths and with the FCA's renewed focus on bereavement as a potential trigger causing vulnerability. Customers need to be dealt with efficiently and fairly - a technology-based solution which enables access to relevant data is key to firms administering all customer funds and accounts.

Jim Evans
Director, CapGemini

The financial imperative

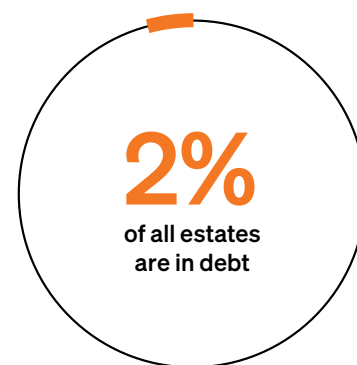
1 in 4 people suffer financial difficulties when administering someone's estate

The processes surrounding bereavement are not only upsetting, stressful and time consuming, but can be expensive too. And while the deceased's estate can be used to pay for any expenses, the costs surrounding the bereavement process still cost those left behind £1,630 on average.

For one in four people, covering these costs causes financial difficulties, rising to almost three in five where the person's estate was in debt.

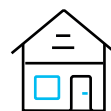
And while only around 2% of people die leaving their estate in debt, most do not leave huge sums of money behind either - the average estate is worth just over £167,000 but in 40% of cases, the estate is worth less than £50,000.

Sadly, two thirds of those who experienced financial issues when dealing with the administrative side of someone's death also suffered mental health issues. This means your mental health is more than twice as likely to be impacted by the bereavement process if there are associated money issues.



£1,630

Average cost of the bereavement process



£167,126

Average estate worth



One of the key tasks in the estate administration process is the identification of all the assets and liabilities of the deceased. When assets are unknown, or lie undiscovered, this can cause further pain and grief later and stops assets getting into the hands of the people who are entitled to them. Assets that are stuck and lying dormant are not being put to use in the economy where they could be delivering value for people.

Nick Cousins
Founder & CEO, Exizent

The knowledge gap

1 in 3 people administering an estate know nothing about probate



Probate is not something people tend to talk about, so it is perhaps no surprise that most people know very little about the process before they start.

In fact, just 4% of people dealing with the bereavement process were confident they knew 'a lot' about the administration involved before they started, and shockingly, a third knew absolutely nothing.

Furthermore, of those who were executor of the person's estate (72%), as many as one in seven had no idea they had been made executor until the person died.

There are also a number of misunderstandings around the responsibilities of an executor, even amongst those who have been involved in the process. For example, half (49%) did not realise that it is an executor's responsibility to ensure all debts on the estate are paid before probate can be granted, and one in five didn't know that executors are responsible for all the deceased's accounts.

This lack of knowledge causes issues for solicitors, as 97% rely on information and knowledge from the executor and family to verify the assets of the deceased, 80% of those either mostly or entirely, and if they are not able to provide that information, this causes delays.

More than half of those surveyed didn't realise that they could refuse to be executor if they wanted to, which could also be a factor in why so many people find the process so stressful.

53%

didn't know that you don't have to be executor if you do not want to

15%

didn't know they were executor until the person died

49%

didn't realise executors were responsible for organising payment of unpaid debts of the deceased

97%

of solicitors have to rely on the knowledge of the executor and physical documentation they provide to verify assets and liabilities

34%

of firms say disputes within the family of the deceased causes stress on probate cases

Most of us know very little about the probate process

The will

36%

Will be executor of someone's will in the future

The estate

20%

Know 'nothing at all' or 'very little' about the estate of the person who they are executor for

Probate

80%

Know either nothing (33%) or only a little (47%) about probate

The expectation gap

1 in 4 people named as executor on someone's will know 'nothing at all' about probate.

Death is inevitable, and therefore so is the administration around it, so why don't we as a nation know more about the process?

As well as speaking to those who have already dealt with probate, we also spoke to those who haven't, and asked them what they know, if anything about what it will entail. More than a third said they already know they are executor of someone's will, however, the vast majority (72%) said they knew either nothing or very little about the probate process.

And while it may not be surprising that people do not know about the legalities surrounding death, it

is worrying that one in five know either nothing or very little about the estate of the person they have agreed to be executor of.

Most (59%) are not confident that the will of the person they are executor for is up to date, so it is perhaps no surprise that one in seven expect there to be issues when it comes to actually dealing with the estate when the person has passed away.



41%



are very confident that
the will they're executor
of is up to date

1/7



of those who have been
asked to be executor
expect there to be
issues

62%

of people who have
dealt with probate know
who they want to execute
their own will

39%

of those who have not dealt
with probate have decided who
they want to execute their will

36%

of law firms think better
communication with clients would
improve the probate process

People who have dealt with probate are over one and a half times more likely to have organised an executor for their own will.

We have already discovered that the bereavement process is inefficient, expensive, and stressful and that the frustration surrounding the delays and other issues can result in financial problems and even mental health issues for those involved.

And it seems for many of those who have been through it, the experience has made them determined to do what they can to make the process easier for whoever is left with the administration around their own death.

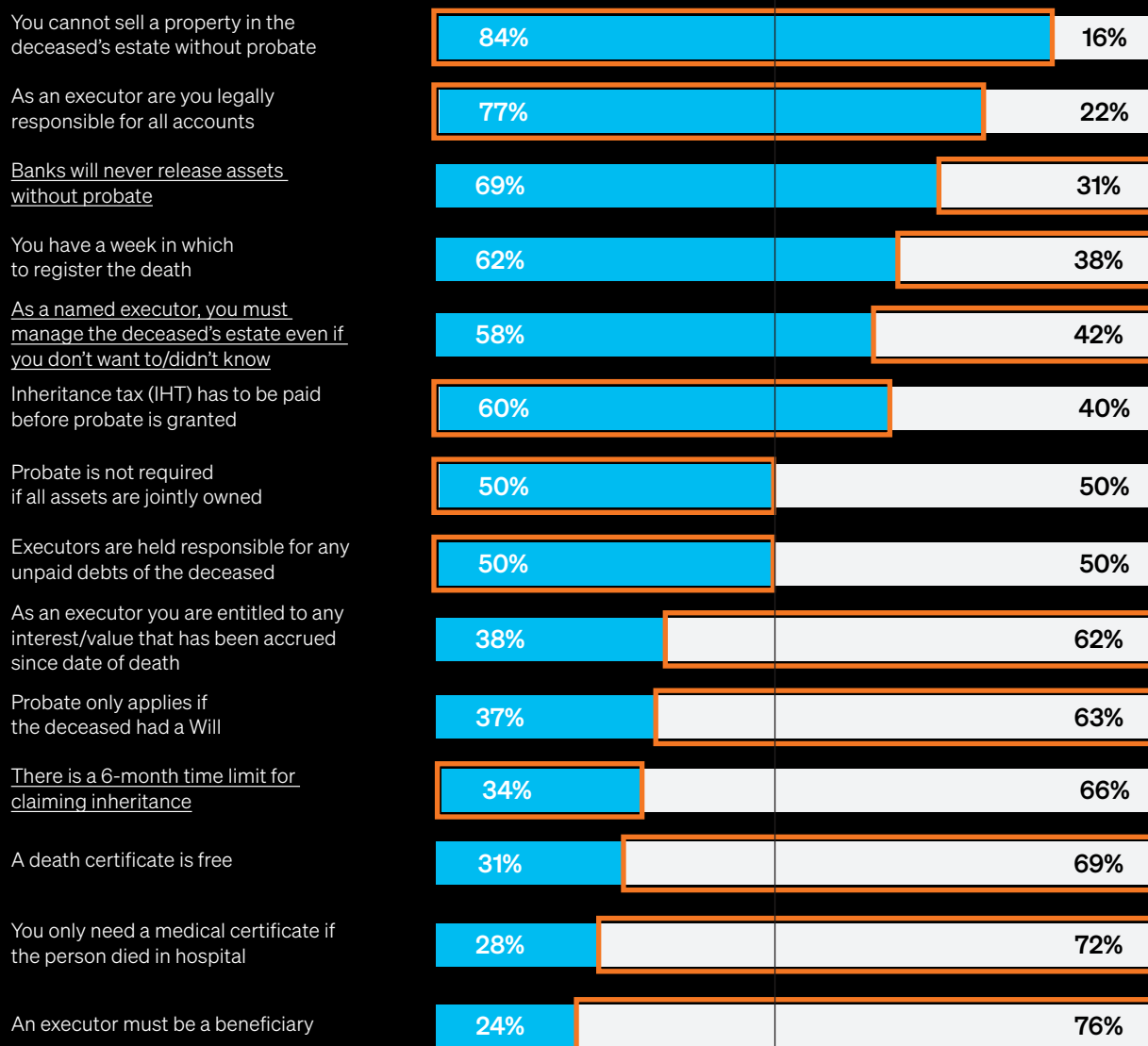
For example, people who have dealt with probate themselves are 58% more likely to have organised an executor of their own will. They are also more likely to have chosen someone other than their partner to do it, suggesting that those who did have to deal with administering the estate of a loved one would not want to inflict that experience on their other half.

Mythbuster

While more than a third of us will be involved in the administration of someone's estate at some point in our lives, overall knowledge of the process is still low.

We asked 1,200 people a series of true or false questions about probate and the responsibilities of an executor and none got them all right; even amongst the 600 who had recently been through the process, none of them correctly identified all of the right answers.

This lack of awareness around what the bereavement process entails could well be one of the main reasons why so many people become stressed when dealing with the administrative side of loss.



■ True
 ■ False
 ■ Correct answer

The solution: Legal services



88% of legal firms think the bereavement process is 'slow and inefficient'.

Most of those who have recently been through the bereavement process used a solicitor or another professional to help them, and the vast majority would do so again. There is no doubt that, given the worrying lack of knowledge around probate, professionals play a key role in the process for so many.

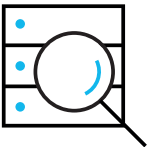
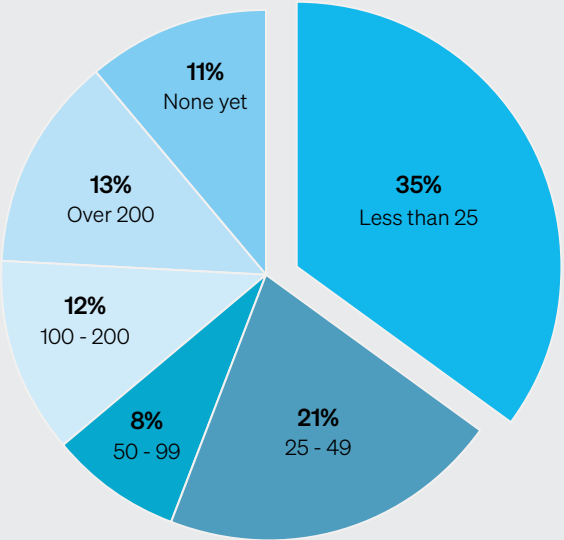
Unfortunately, probate is just as frustrating for law firms as it is for the bereaved, with 88% saying they think it is inefficient. And while one in four of those are resigned to the fact the process is slow and complicated, most (75%) say they think there are things that could be done to improve it, including better relationships with financial institutions and dedicated probate software.

41% of legal firms think technology could improve the bereavement process but just 15% use dedicated probate software.

Both consumers and legal firms agree that the probate process is not fit for purpose, and that the lengthy delays and administrative burden involved are simply not acceptable.

And while most legal firms do think there are things that can be done to make things better - primarily, improving communication with financial firms and better use of technology - and 41% said they would consider a dedicated platform, just 15% have actually done so.

The majority of firms (40%) manage between 25 and 200 cases a year



22%

of firms say investment in technology is their highest ranked priority for the next 12 months

The solution: Financial institutions

Financial institutions are a key part of the solution.

While there are many reasons why estate administration can take so long, according to law firms waiting for financial institutions to get back to them not only takes up the most time in a probate case, but it is also the main cause of delay. Most law firms have to wait at least four weeks for asset and liability providers to respond to their information requests, with 1 in 30 saying they have to wait more than eight weeks.

Technology, easier access to asset data and better communication with financial institutions would improve probate.

As most law firms say that waiting for financial institutions to get back to them is one of the main reasons why probate takes so long, it stands to reason that most also think better relationships with financial institutions would make things more efficient. Law firms also feel that if asset discovery was simpler, and they were able to get better access to their client's financial data - rather than relying on the family, executor and financial institutions - they would be able to manage probate better than they currently do.

Time to respond	%
Under 1 week	0
1-2 weeks	21
2-4 weeks	26
4-8 weeks	50
Longer than 8 weeks	3

“ Communication between financial institutions and law firms is a vital part of the probate process but has been overlooked for some time. The Bereavement Index re-enforces this, with 44% of firms highlighting that better communication would improve their day-to-day work. These results prove the important role Exizent plays in the industry, by connecting firms and institutions in a meaningful way. We believe our platform will fill important gaps, speed up processes, and allow everyone involved to work together more seamlessly.

Mitchel Lenson
Non Executive Chairman, Exizent

52%

of law firms say awaiting responses from financial institutions takes up most of their time on a probate case

Exizent: Our vision

In an era of digitised services, with more transparent and open access to information, Exizent is leveraging technology to connect all of the data, services and the network of people involved when someone passes away.

We are on a journey to become an industry utility within the bereavement space, helping to reduce uncertainty, increase speed and overall make the process more straight forward for everyone. Particularly for those who have lost someone.

We see a better way of working. We are working with banks, share registrars, and other institutions to build standardised requests and responses. Government bodies and their services are digitising, and we are ready to build integrations

for simplified electronic sharing of information and data. Whilst we drive industry change, immediate improvements can also be made. It is possible to start reducing manual effort spent on data entry, re-keying information, and other administrative tasks. Performing skilled work is easier with specialist tools. When you are working quicker, more efficiently, and with reduced risks, it's a better experience for everyone.

See it in action

We're committed to improving the bereavement process, which starts with executry teams having the right tools in place. Contact us with your questions and feedback.



Book a demo: exizent.com/demo



Talk to us about features and pricing:
sales@legal.exizent.com



Or reach us online: Exizent.com
linkedin.com/exizent



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