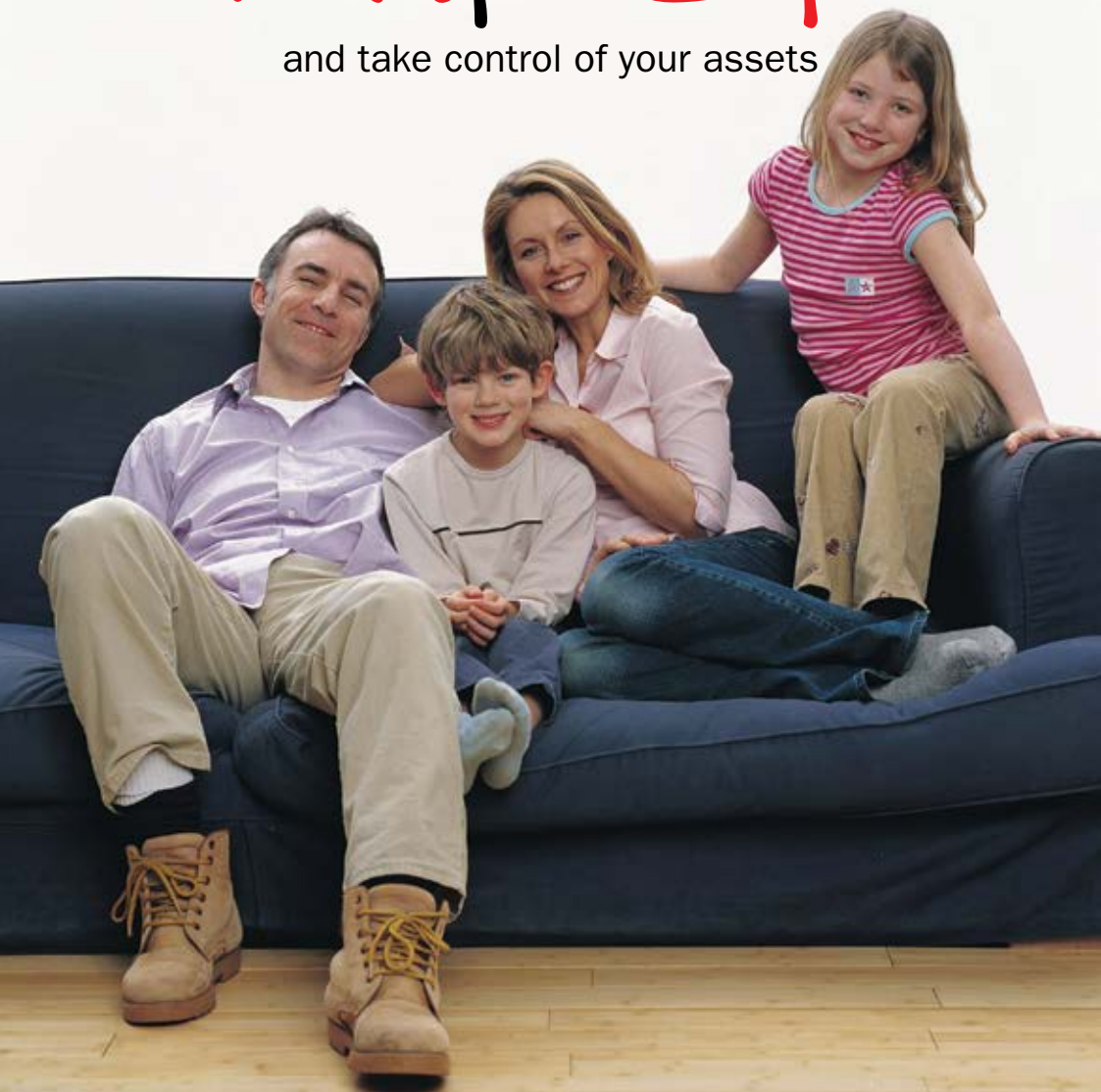


*Lawcomm*  
s o l i c i t o r s



# Plan for Life

and take control of your assets



## About us

Lawcomm Solicitors specialise in the provision of legal services on a nationwide basis to individual and business clients. We are particularly interested in helping our clients make the most of what they have and ensuring that is protected to hand down to future generations in the fullness of time.

The **PlanforLife** is an innovative, multi-faceted way of helping you achieve that.





## Who should benefit from your estate?

**The taxman?**

**The local authority?**

**Your family and friends?**

**We think you should have the final say,  
and you can, but you need to act now!**

As we approach later life and hopefully become financially more settled it becomes more important to protect what you have built up now for the rest of your lifetime and take steps to make sure that your wishes are carried out in the future.

There are many ways your assets can be attacked and your hard work undone:

**Probate fees** – these are payable by everyone and can run into thousands of pounds

**Sideways dis-inheritance** – if you do not review your will regularly there is a chance you could inadvertently dis-inherit your family, particularly if you have re-married or have a “merged” family. There may also be problems if a child is divorcing or has money troubles.

**Claims against your estate** – from family members who feel they should have inherited but didn't.

**Incapacity** – if you no longer have the capacity to look after your own affairs then the Court will appoint someone – for a fee – who will do that for you

**Care Costs** – all of your assets can be taken to pay care costs

Burying your head in the sand will not help protect your assets and no one can say for sure that none of this will ever happen to them. We can never know. **PlanforLife** can provide an answer to some or all of these problems.



# The Problems

## Probate Costs

Banks will charge up to 5% of the entire estate for dealing with probate, even when the only asset is an account with them. Solicitors may be cheaper and offer protection to your beneficiaries in the event of anything going wrong, but the bill could still be measured in thousands of pounds. The other option is burdening family members with the onerous task of winding up your estate – but this can be highly time consuming and complicated and they could be personally liable for any errors incurred – including financial ones. By putting your assets in a **PlanforLife** you take away the need for probate altogether.

## Sideways Disinheritance

A modern “sound bite” name for a very old problem. Imagine that you pass away and your estate goes to your spouse or partner, and they subsequently meet someone else. Their estate may pass to their new partner, and not necessarily how you intended. Your children may find that their rightful inheritance has gone elsewhere. The **PlanforLife** can prevent this.



## Children Inheriting at the wrong time

A will can only deal with circumstances as we know them when we make the will. Eventually, our children will have lives and problems of their own to deal with. Marital problems, work issues, gambling and drink problems are surprisingly common. You may not be aware what is going on in their lives and your best intentions in leaving them sizable legacies could, inadvertently, exacerbate their personal difficulties.

## Dependent Relatives Claims

When you die it is possible that someone not included in your Will could challenge it and make a financial claim against your estate. Your estate could become subject to long drawn-out legal battles and considerable expense. If all of your assets are in a **PlanforLife** there is technically nothing for any would-be claimant to claim against in your estate and they cannot claim against your **PlanforLife**.

## Incapacity

Medical and technological advances are contributing to greater life expectancy, but some still lose mental capacity through dementia related illnesses. To prepare for this we can register a Lasting Power of Attorney, but if it left too late, an application for a Court Order is required. This is very expensive, time consuming and rarely achieves good results. The **PlanforLife** will help if capacity becomes an issue and there is no Lasting Power of Attorney set up.

## Care Costs

Not everyone requires care or a care home to look after them. Unfortunately, there is no way of knowing. Although we may not want to think about it happening to us, we might need care in our later years. Unfortunately 1 in 3 women and 1 in 4 men over the age of 65 do go into residential care so it can never be ruled out.

Whilst family often start out with the best of intentions in wishing to take care of you, in reality it is a difficult task and may not always be a realistic or sensible option. You may not have time to plan a move to residential care - the decision is sometimes taken out of your control. Financing care is a complicated process but there is no doubt you will be expected to contribute to the cost and your property and savings will be taken into account. The **PlanforLife** can protect assets that have been transferred into it at the right time and in the right way if there is a need for local authority care fee assessment.



# PlanforLife

and take control of your assets

## How does PlanforLife work?

It is usually a three stage process, but can be quicker.

**Step One** – one of our consultants will meet you at your home and explain how the plan works and the benefits associated with it.

**Step Two** – a full fact find will be prepared including your personal details and the assets you want to transfer into the plan. The fact find forms the basis of the legal paperwork which will be drawn up by our solicitors.

**Step Three** – the PlanforLife is set up and all assets transferred into it and registered where appropriate. The original Plan is retained by Lawcomm Solicitors and you are given copies of all registered documents.

At all stages you will have the assistance of our Consultant who will be able to answer your questions. You are welcome to have family members at any of our meetings – you may want them to understand what you are doing. It is up to you.



## The Questions

### Are there any ongoing Trust fees?

**No.** You pay the costs at the beginning and you have nothing further to pay. If there is a query from the Local Authority over care costs we shall liaise with them on your behalf to try to help resolve this. This will be done at no extra cost unless a dispute arises.

At the onset your own or a financial advisor from Lawcomm Wealth Management will decide on the short, medium and long term investment of the fund, paying particular attention to any tax consequences and any foreseeable financial needs you may have. Careful planning will eliminate or limit any active fund management by the Trustees and therefore eliminate Trustee costs.

### Can I change my mind?

**Yes.** You control the Trust so you can transfer all or some of the assets back into your name at any time. There may be fees involved, for example Conveyancing and Land Registry fees, but there will be no charge by the Trustees for returning your money.

### What happens if one of us dies?

**Nothing.** The Trust, and the protection it gives, simply continues as before until the second person dies. The survivor continues to retain the benefit of the Trust and control over the appointment of Trustees.

### What types of assets can be placed within the PlanforLife?

**Anything.** Usually, clients put their house (or their share of it, if it is owned jointly) and most of their other savings or investments into the Trust.

### Can other assets be added later?

**Yes.** Although you have to bear in mind that the later any further assets are added the less likely it will be disregarded for care fees. It will still work for everything else though.

### Is there any limit on the value of assets placed within a PlanforLife?

**Technically there is no limit to what can pass into the plan.** However, in practice no more than the amount that can be given away free of Inheritance tax should be put in.

Should the value of plan assets rise during the ten year period, above the IHT threshold, the amount in excess will be taxable. For this reason we normally recommend that slightly less than the current Nil Rate Band is placed into the plan. Government policy is that the IHT threshold will stay at £325,000 until 2015.

### When is the best time to set up a PlanforLife?

**As soon as possible!** There is no benefit in delaying. Bear in mind that Local Authorities can look back to see why a plan was set up and in what circumstances. Clearly if it was set up at a time when the client was in good health, living independently and had no immediate prospect, or intention, of entering long term care it is highly unlikely that any questions would be asked.

However, Local Authorities can review all relevant medical and financial records during any investigation.

### Can a Plan for Life be set up after I have entered care?

**Yes it can.** The only disadvantage of leaving it this late is that you would be required to continue to fund your own care. You would, however, have all of the other benefits of the plan.

### How long does the Plan last and in what circumstances does it end?

**Technically the plan is a Discretionary Trust and lasts for 80 years (this is set by an act of parliament) but it will usually be distributed by the Trustees on the death of the Settlor or the Settlor's spouse.** There may be circumstances where it is desirable to continue to run the plan for longer, for example if one of the beneficiaries is disabled, or going through a divorce or a bankruptcy. A protected, managed fund is advantageous in these types of cases, which is the primary reason for it in the first place.

### What if I wish to sell my present home and purchase another?

#### If you wish to move home after placing the house in to a PlanforLife?

**you can do so.** The paperwork would be signed by the Trustees but there are no restrictions on you. You can buy a bigger or smaller property using funds in the plan or additional funds. Any surplus cash is still protected by the plan and will simply be added to any other savings and invested by the Trustees. Normal conveyancing charges would apply.

### What if I need some of the savings within the PlanforLife?

**The Trustees will transfer funds from the plan back into your name if and when this is required.**



# Our Team of Experts

If you have any particular areas of concern our trained consultants will be able to help you, or you can contact David Roper at

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