

Wills and estate planning

Practical advice about making
and updating your will

**Money
matters**



***Age UK is the new force combining
Age Concern and Help the Aged.***

***With almost 120 years of combined
history to draw on, we are bringing
together our talents, services
and solutions to do more to enrich
the lives of people in later life.***

***The Age UK family includes Age Cymru,
Age NI and Age Scotland. There are
also more than 150 local Age UKs.***

This information guide has been prepared by Age UK and contains general advice only, which we hope will be useful. Nothing in this guide should be construed as specific advice and it should not be relied on as a basis for any decision or action. The Age UK Group does not accept any liability arising from its use. We aim to ensure that this information is as up to date and accurate as possible, but please be warned that certain areas are subject to change from time to time. Please note that the inclusion of named agencies, companies, products, services or publications in this information guide does not constitute a recommendation or endorsement by the Age UK Group. Every effort has been made to ensure that the information contained in this guide is correct. However, things do change, so it is always a good idea to seek expert advice on your personal situation.

Date of publication: May 2011 © Age UK 2011

Age UK is the new force combining

AGE
Concern

and

HELPTHEAGED WE WILL



Mixed Sources

Product group from well-managed
forests and other controlled sources
www.fsc.org Cert no. SA-COC-001853
© 1996 Forest Stewardship Council

Contents

Introduction	2
Why is it important to make a will?	3
What happens if I do not make a will?	4
Choosing executors	5
Valuing your estate	7
What to include in your will	10
Leaving a legacy	11
How to make a will	12
Signing the will	14
How to change a will	14
Important documents relating to your will	15
Useful organisations	16

Introduction

Making a will is vital if you want to be certain that your wishes will be met after you die – and that you don't pay unnecessary taxes to the government. And while making a will isn't easy, this guide is designed to highlight the issues you should think about and the areas in which you need to seek professional advice. Remember, it's important to review and update your will regularly to make sure it always reflects what you want to happen to your estate.

Throughout this guide you will find suggestions for organisations that can give further information and advice about your options. Their contact details can be found in the 'Useful organisations' section (see pages 16–19). Contact details for local organisations can usually be found in your local phone book. If you have difficulty finding them, your local Age UK/Age Concern* should be able to help (see page 16).

As far as possible, the information given in this guide is applicable across the UK.

Key



This symbol indicates where information differs for Scotland, Wales and Northern Ireland.



This symbol indicates who to contact for the next steps you need to take.

*Many of our local partners will remain Age Concern for a while yet.

Why is it important to make a will?

There are many reasons why you should make a will. These include:

- **Reassurance.** A will is the only way to make sure your savings and possessions (your estate) go to the people and causes that you care about.
- **Avoiding disputes between relatives.** Disputes over wills can cause arguments among family members and may even need a solicitor to resolve them. Leaving a will should remove any doubt about who you want to leave your estate to. Close relatives and dependants may still be able to make a claim on your estate, but a solicitor can advise you on how likely this is and how best to prevent it.
- **Looking after your loved ones.** Though it's hard for loved ones to talk about death, making it known how you would like your estate to be distributed can save everyone a lot of worry. Deciding who you want to leave your possessions to (your beneficiaries) can help you make sure they will go to the people you intended.
- **Saving on Inheritance Tax.** If you don't leave a will, you might have to pay unnecessary tax on some of your estate, especially Inheritance Tax. But with a carefully planned will, it might be possible to reduce this. See our free *Tax guide* for more information.
- **Your funeral.** Your will can be a way to let people know whether you would prefer to be buried or cremated, and the type of funeral service and music you would like.

What happens if I do not make a will?

If you die without making a will – known as intestacy – your property and money may not go to the people you intended.

If you have a spouse or civil partner and children, by law your partner will inherit all of your personal possessions and at least the first £250,000 of your estate. Anything over £250,000 will be divided between your spouse or civil partner and your children or grandchildren. (These are known as the Intestacy Rules.)

If you do not have children, but leave parents, siblings or nieces and nephews, your partner will be entitled to at least the first £450,000 and all your personal possessions, plus half of the rest. Then, either your parents, siblings or nieces and nephews will be entitled to the other half (after debts, tax and funeral expenses are settled).

- i** In Scotland, the rules about intestacy are different. If you have a spouse or civil partner, they will inherit your dwelling house (the property you lived in at the time of your death) up to the value of £300,000 (or the cash equivalent), and the furniture of that house (up to the value of £24,000). They will also inherit the first £42,000 of your estate if you have children or the first £75,000 if you do not have children.

Your spouse/civil partner is also entitled to a third of your ‘moveable estate’ (for example your money, shares, cars, furniture and jewellery) if you have children or grandchildren, or half if you do not have children. Each child has an equal claim.

what next?

See our free factsheets *Making a will* and *Dealing with an estate* for more information. To find out more about who inherits your estate if you die without making a will, contact the Probate Service (see page 18). In Scotland, read the Scottish Government's guide *Rights of succession* (see page 19).



Choosing executors



When you make your will, you will need to choose your executor(s) (known as 'executors-nominate' in Scotland) – the people who deal with distributing your money and property after your death. Being an executor can involve a lot of work and responsibility, so consider carefully whether the people you want to appoint would be suitable and check with them that they are willing to act on your behalf.

You can appoint any number of executors, but only a maximum of four may apply for the Grant of Probate (known as Grant of Confirmation in Scotland) to deal with your estate. It's a good idea to choose more than one executor, so that they can share the responsibility of your estate, and in case one of them dies before you do.

Executors are usually appointed as trustees as well, in the event that a trust is created within your will. If anyone under the age of 18 is to be a beneficiary of this trust, you should appoint at least two trustees/executors.

Another option is to appoint a professional executor, such as a solicitor or an accountant. They will charge for their services and this will be paid out of your estate. Your estate is the total money, property and investments that you leave when you die, minus any debts and funeral expenses. You might want to consider appointing a professional executor if your estate is particularly large or complicated.

Finally, you may wish to ask a charity to act as your executor. In certain circumstances, Age UK can offer this service. To find out more, please see the insert in the middle of this guide.

what next?

For more information, see our free leaflet *How to be an executor*. Consider carefully who you would like to appoint as your executor(s), explain to them what is involved and check that they are willing to take on the role. Age UK Legal Services is a comprehensive and independent service offered through Irwin Mitchell to assist with dealing with an estate. Call 0845 685 1076 for more information.

If you die without making a will your property and money may not go to the people you intended.



Valuing your estate

Before arranging to have your will written, it's worth drawing up a list of your assets and debts. This will give you a clearer idea of what your estate will be worth.

Assets that typically make up an estate include:

- your home, and any other properties you own
- savings in bank and building society accounts
- insurance, such as life assurance or an endowment policy
- pensions funds that include a lump sum payment on death
- investments such as stocks and shares or investment trusts
- motor vehicles
- jewellery, antiques and other personal belongings
- furniture and household contents.

Debts may include:

- mortgage
- credit card balance
- bank overdraft
- loans
- equity release.

Get your assets valued regularly. You may find that your house price or pension fund, for instance, has increased dramatically without you realising.

**what
next?**

Our free factsheet *Dealing with an estate* has more detailed information.

‘I feel much better knowing that the people and causes I care about will benefit.’



Angela, 60, was worried to hear what could happen to her estate if she didn't make a will.

‘I'd just turned 60 and had been thinking about making a will for some time. Having spoken to a friend who explained how straightforward it was for her, I decided to follow her lead.

‘My friend said that without a will, my savings and possessions would be distributed by law, with no regard to my wishes. I wanted to leave some family heirlooms to my granddaughter and it was upsetting to think that she might not get them.

‘So I spoke to a local solicitor and arranged to make my will.

‘After providing for my family and friends, I also made some bequests to a number of charities.

‘I was pleased to be able to support such good causes, and I was pleasantly surprised to learn that gifts to charities are exempt from Inheritance Tax. My will also appoints an executor, who I have chosen, to deal with the administration of my estate and to make sure my wishes are carried out.

‘I feel much better knowing that the people and causes I care about will benefit. I am now reminding my friends to make their wills, or review the details if they already have a will in place.’



What to include in your will

You should make sure that it's absolutely clear what you want to happen to your whole estate. You can make specific gifts to particular people and then state where the residue of the estate (any property or money left over) is to go. Alternatively, you could divide your estate between a number of people in certain proportions, for example, half to your spouse and a quarter each to your two children. You should also state what you want to happen if a beneficiary should die before you do. You can leave money to charities in your will too.

- i** In Scotland, you cannot totally disinherit your spouse or children in a will. They will always be entitled to a certain percentage of your estate. For more information, contact Age Scotland or a Citizens Advice Bureau (see pages 16 and 17).

You should make sure that it's absolutely clear what you want to happen to your whole estate.



(continued on page 11, the following 4 pages can be pulled out to keep)

How a gift in your will can help older people

Over the years, Age UK has made a vital difference for millions of older people in the UK and around the world through the generosity of those who have left a gift in their will.

Currently, over a third of the money that we receive from supporters comes from gifts in wills (legacies).

We understand that your family comes first, but even a small percentage of what is left can make a real difference to the people who will need us years from now. Across the UK, many older people are being helped in sometimes small but important ways because of someone leaving a gift in their will.

People who have supported us in this way have done amazing things – people such as Mrs Whitler, whose £700 gift bought new kitchen equipment for a local lunch club; Mrs Marshall, whose gift of £3,000 was used to support older people caught up in flooding; and Mr Smythe, whose £21,000 bought a minibus for the older people of East Sussex.

If you decide to leave a gift to Age UK in your will, you can be sure that we will ensure that it is spent where the need is greatest.

You can also arrange for a gift in your will to benefit our work internationally, nationally or locally – the choice is yours.



Gifts in wills help us to achieve amazing things

Gifts in wills fund a wide range of projects and help to improve later life for everyone through our information and advice, campaigns, services and research.

- The Age UK Advice line provides information and advice to some 300,000 callers a year.
- Our free information guides (such as the one you are reading now) provide advice about some of the key issues affecting older people, including how to claim benefits, staying fit and healthy, and living independently in your own home.
- Working with our local partners, we help prevent older people from being lonely and isolated through lunch clubs, Handyvan schemes and home visits.
- When disaster strikes overseas, we are there to make sure an older person can get the care and attention they need to help them survive and rebuild their lives.
- Our research into ageing has seen significant breakthroughs in dementia, falls prevention, stroke and incontinence.



How our team of Regional Legacy Officers can help you

At Age UK, we understand that making a will can be daunting. With the right preparation, it needn't be.

If you're thinking of remembering Age UK in your will, we have a team of Legacy Officers* who are happy to explain how a gift in your will can help support our work and can talk through the issues involved in making or changing a will.

Our Legacy Officers can explain clearly and simply every step – from valuing your estate to appointing an executor – and can share their expertise on a wide range of topics. For instance, we can explain how it is sometimes possible to reduce Inheritance Tax by leaving a gift in your will to charity.

Our Legacy Officers are always happy to discuss any questions you may have, in total confidence with no obligation, and can arrange to contact you for an informal conversation.

The Age UK Executorship Service*

In certain circumstances, Age UK is able to act as your executor. As part of our service, our Legacy Officers can make sure that your home and valuables are safe, make funeral arrangements and provide practical and sympathetic support to those left behind.

Our experienced in-house legal team will then deal with the administration of your estate and deal with the distribution of your assets in accordance with your wishes.

*Please note that the Regional Legacy Officer team and Executorship Service operate in England only.

How your gift could help

Here are just a few examples of how we could use your gift.

- A gift of £600 could pay for hot meals at a day centre for 160 people – not to mention company and friendship.
- A gift of £1,000 would contribute to the cost of producing an information guide that will provide free advice to older people on subjects ranging from benefits and money to social care.
- A gift of £5,000 could pay for emergency food packs for 250 older people trapped in their homes by extreme winter weather.
- A gift of £20,000 could enable us to make regular home visits to 200 isolated older people for 12 weeks. Additional befriending support is vital during the cold winter months.
- A gift of £75,000 could fully fund a major research project that is developing new rehabilitation techniques – such as speech therapy – in stroke patients.

To find out more about how your legacy may be used, visit www.ageuk.org.uk

Contact us

If you would like to know more about leaving a gift in your will to Age UK or to find out more about our Executorship Service, please contact the Legacy team.

Tel: 020 3033 1421

Email: legacies@ageuk.org.uk

Legacy Department

Age UK, Tavis House, 1–6 Tavistock Square, London WC1H 9NA


Age UK is a registered charity (number 1128267) and a company limited by guarantee (number 6825798). The registered address is 207–221 Pentonville Road, London N1 9UZ.

Leaving a legacy

(continued from page 10)

A will is a way to remember those who are important to you. Once they have provided for their family and friends, many people choose to leave legacies to their favourite charities.

A legacy is simply a donation made in a will. Different types of legacies include:

- residual – a proportion of your estate
- pecuniary – a set sum of money
-  specific (sometimes called a ‘gift in kind’ in Scottish legacies) – a named item such as a house, gold watch, or piece of furniture.

If you plan to leave a legacy to a charity, make sure you include the charity’s full name, address and registered charity number. Incorrect information may result in the charity not receiving the legacy.

If you are interested in leaving a legacy to Age UK, Age Cymru, Age NI or Age Scotland or one of our local partners, please see the insert in the middle of this guide for more information.

**what
next?**

See our free factsheet *Making a will* to find out more about legacies.

How to make a will

You can make your own will, or you can instruct a solicitor to do it for you. If you decide to make your own will, you must make sure that it will be valid and that it will lead to your wishes being carried out exactly as you specify them. It's usually best to get advice from a solicitor, except in very simple cases. 'Off-the-shelf' forms are available, but it's easy to make mistakes when filling them in or miss out important details. This can cause problems for your beneficiaries after your death.

You may wish to speak to a solicitor who specialises in wills and probate. ('Probate' is a term commonly used when talking about applying for the right to deal with a deceased person's affairs and is known as 'confirmation' in Scotland.)



Ask the person you employ to write your will to clarify the fees you will be paying. This should be explained in their letter of engagement.

Your solicitor will be able to store your will safely for you, often free of charge. You must let your executors know where it is kept.



In Northern Ireland, you may be able to get help with the legal costs of making a will under the green form scheme if you have a low income and savings. You will need to see a solicitor with a contract to provide legal help under the green form scheme.

Some charities offer free will-drafting services, in the hope that you will leave them some money in your will in return (although there is no obligation). If there is a charity that you are close to, check whether they provide this service.

**what
next?**



See our free guide *Help with legal advice*. The Law Society can provide you with a list of local solicitors in England and Wales (see page 17). In Scotland, contact the Law Society of Scotland; in Northern Ireland, contact the Law Society of Northern Ireland (see page 17). Age UK Legal Services is an independent service provided by Irwin Mitchell Solicitors, which can provide advice including help on writing or changing a will. Call 0845 685 1076 for more information.

Signing the will

You must sign your will in the presence of two witnesses, who must then also sign it in your presence (i.e. all three people must be in the room together when each one signs).



Note that in Scotland, only one witness has to sign the will for it to be valid.

It is very important to make sure that beneficiaries under the will (or their spouses or civil partners) do not act as witnesses, or they will lose their right to the inheritance. Beneficiaries should not even be present in the room when the will is signed.

How to change a will

You should review your will at least every five years and after any major change in your life, such as having a child or moving house – if you don't, it can lead to complications and upset for your family. For example, your will may refer to a house you no longer own, or mention older grandchildren but not younger ones. Arrange a new will if you marry, separate or divorce. Be aware of changes in the law that may affect your will.

If you want to change a will, you can either revoke (cancel) the old will and make a new one or add a codicil to the original will. A codicil is a supplement to the will that details amendments or additions and must be signed and witnessed in the same way as an original will.

If you revoke a will you should destroy it and state on the new one that it revokes all previous wills. If you marry, remarry or enter a civil partnership this will usually revoke a previously existing will. Divorce does not automatically invalidate a will made during the marriage.

Important documents relating to your will

It may help your executors to know where you keep important documents, such as:

- the will itself
- deeds to your property
- insurance policies
- documents relating to savings accounts
- passport
- driving licence
- television licence.

what next?

Age UK produces the *LifeBook*, a handy book where you can keep useful information in one place. For your free copy, please call 0845 685 1061.

Useful organisations

Age UK

Age UK is the new force combining Age Concern and Help the Aged. We provide advice and information for people in later life through our Age UK Advice line, publications and online.

Age UK Advice: 0800 169 65 65
www.ageuk.org.uk

In Wales, contact

Age Cymru: 0800 169 65 65
www.agecymru.org.uk

In Northern Ireland, contact

Age NI: 0808 808 7575
www.ageni.org

In Scotland, contact

Age Scotland: 0845 125 9732
www.agescotland.org.uk

Age UK Legal Services offers easy-to-access legal advice and support through Irwin Mitchell, one of the UK's leading law firms, on subjects such as will-writing, family and relationships, personal injury, buying or selling a home, rights at work, power of attorney, probate and equity release. We offer a free consultation with one of our friendly advisers who will listen to your situation and explain how we can help you. They will tell you how much it will cost to proceed and you can decide whether to take it forward. Call 0845 685 1076 for more information.

Age UK Legal Services is a trading name of Age UK Enterprises Ltd. Irwin Mitchell is operated by the partners of Irwin Mitchell LLP. Other than in Scotland, Irwin Mitchell is regulated by the Solicitors Regulation Authority.

Citizens Advice Bureau (CAB)

National network of free advice centres.

For details of your local CAB call:

Tel: 020 7833 2181

(this number gives local contact details only, not advice).

www.citizensadvice.org.uk for local CAB details

www.cas.org.uk for local CAB details in Scotland

www.adviceguide.org.uk for online information

Directgov

Information about getting legal advice and legal aid.

www.directgov.uk/en/governmentcitizensandrights

In Northern Ireland, visit www.nidirect.gov.uk

Law Society of England and Wales

Tel: 020 7242 1222

www.lawsociety.org.uk

Law Society of Northern Ireland

Tel: 028 9023 1614

www.lawsoc-ni.org

Law Society of Scotland

Tel: 0131 226 7411

www.lawscot.org.uk

Probate Service

Information and advice on dealing with an estate,
and contact details for local probate registries.

First Avenue House
42–49 High Holborn
London WC1V 6NP

Tel: 0845 302 0900 (lo-call rate)
www.hmcourts-service.gov.uk

In Northern Ireland, contact:

Probate Office
Royal Courts of Justice
PO Box 410
Chichester Street
Belfast BT1 3JF

Tel: 028 9023 5111

If the deceased person lived in County Fermanagh,
Londonderry or Tyrone, applications can either
be made in Belfast, or at:

District Probate Registry
The Courthouse
Bishop Street
Londonderry BT48 6PY

Tel: 028 9072 4678

Scottish Government

Produces a free guide about intestacy called *Rights of succession*.

Tel: 08457 741 741
www.scotland.gov.uk

Scottish Legal Aid Board

Can supply a list of solicitors who operate the legal aid scheme, and advise on the financial test involved.

Tel: 0845 122 86 86 (local rate)
www.slab.org.uk

Society of Trust and Estate Practitioners (STEP)

You can search online for a STEP member who can provide law and tax advice about trusts, estates and inheritance.

Tel: 020 7340 0500
www.step.org

Solicitors for the Elderly

Independent national organisation of solicitors, barristers and legal executives who can provide legal help to older and vulnerable people, their families and carers.

Tel: 0844 567 6173
www.solicitorsfortheelderly.com

What should I do now?

For more information on the issues covered in this guide, or to order any of our publications, please call Age UK Advice free on **0800 169 65 65** or visit **www.ageuk.org.uk/moneymatters**

Our publications are also available in large print and audio formats.

The following Age UK information guides may be useful:

- *Help with legal advice*
- *Tax guide*
- *Managing your money*

The Age UK Group offers a wide range of products and services specially designed for people in later life. For more information, please call **0800 169 18 19**.

If contact details for your local Age UK/Age Concern* are not in the box below, call Age UK Advice free on **0800 169 65 65**.



*Many of our local partners will remain Age Concern for a while yet.

Age UK is a charitable company limited by guarantee and registered in England (registered charity number 1128267 and registered company number 6825798). The registered address is 207–221 Pentonville Road, London N1 9UZ. Age Concern England (registered charity number 261794) and Help the Aged (registered charity number 272786), and their trading and other associated companies merged on 1 April 2009. Together they have formed the Age UK Group, dedicated to improving the lives of people in later life. The three national Age Concerns in Scotland, Northern Ireland and Wales have also merged with Help the Aged in these nations to form three registered charities: Age Scotland, Age NI and Age Cymru. ID8822 06/11

Can you help Age UK?

Please complete the donation form below with a gift of whatever you can afford and return to: Age UK, FREEPOST LON13041, PO Box 203, London N1 9BR. Alternatively, you can phone 0800 169 80 80 or visit www.ageuk.org.uk/donate. If you prefer, you can donate directly to one of our national or local partners. Thank you.

Personal details

Title:	Initials:	Surname:
Address:		
Postcode:		
Tel:	Email:	

By providing your email address and/or mobile number you are agreeing to us contacting you in these ways. You may contact us at any time to unsubscribe from our communications.

Your gift

I would like to make a gift of: £

I enclose a cheque/postal order made payable to Age UK

Card payment

I wish to pay by (please tick) MasterCard Visa CAF CharityCard
 Maestro American Express

(Maestro only)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Signature X
Expiry date	<input type="text"/>	/	<input type="text"/>	Issue no. (Maestro only)	<input type="text"/>	

Gift Aid declaration

(please tick) Yes, I want Age UK and its partner organisations* to treat all donations I have made for the four years prior to this year, and all donations I make from the date of this declaration until I notify you otherwise, as gift aid donations. I confirm I pay an amount of income tax and/or capital gains tax at least equal to the tax that the charity will reclaim on my donations in the tax year. Date: ___/___/___ (please complete). *Age Cymru, Age Scotland and Age NI



We will use the information you have supplied to communicate with you in line with Data Protection guidelines. Age UK (registered charity number 1128267) comprises the Charity, its group of companies and national partners (Age Cymru, Age Scotland and Age NI). If you would prefer not to hear from them or carefully selected third parties, let us know by phoning 0800 107 8977.

What should I do now?

For more information on the issues covered in this guide, or to order any of our publications, please call Age UK Advice free on **0800 169 65 65** or visit **www.ageuk.org.uk/moneymatters**

Our publications are also available in large print and audio formats.

The following Age UK information guides may be useful:

- *Help with legal advice*
- *Tax guide*
- *Managing your money*

The Age UK Group offers a wide range of products and services specially designed for people in later life. For more information, please call **0800 169 18 19**.

If contact details for your local Age UK/Age Concern* are not in the box below, call Age UK Advice free on **0800 169 65 65**.



*Many of our local partners will remain Age Concern for a while yet.

Age UK is a charitable company limited by guarantee and registered in England (registered charity number 1128267 and registered company number 6825798). The registered address is 207–221 Pentonville Road, London N1 9UZ. Age Concern England (registered charity number 261794) and Help the Aged (registered charity number 272786), and their trading and other associated companies merged on 1 April 2009. Together they have formed the Age UK Group, dedicated to improving the lives of people in later life. The three national Age Concerns in Scotland, Northern Ireland and Wales have also merged with Help the Aged in these nations to form three registered charities: Age Scotland, Age NI and Age Cymru. ID8822 06/11