

Fiske



When a partner dies

A helpful guide

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Useful websites

Official UK government sites

www.gov.uk/when-someone-dies

www.gov.uk/inherits-someone-dies-without-will

Find a register office

www.gov.uk/register-offices

Tell Us Once service

<https://bit.ly/gov-tell-us-once>

Websites for informing organisations

Death Notification Service

www.deathnotificationsservice.co.uk (*free service*)

Settld

www.settld.care (*paid-for service*)

LifeLedger

lifeledger.com/register-a-death (*paid-for service*)

The Bereavement Register

www.thebereavementregister.org.uk (*free service*)

Site to inform potential creditors and avoid liability for unidentified debts

The Gazette

www.thegazette.co.uk/wills-and-probate/place-a-deceased-estates-notice (*free service*)

Lasting Power of Attorney

www.gov.uk/power-of-attorney

Other useful websites

Bereavement support services

<http://bit.ly/gov-bereavement-help-and-support>

AgeUK

www.ageuk.org.uk/information-advice/money-legal/legal-issues/what-to-do-when-someone-dies

Citizens Advice

www.citizensadvice.org.uk/family/death-and-wills/what-to-do-after-a-death

MoneySavingExpert

www.moneysavingexpert.com/family/what-to-do-when-someone-dies

Which?

www.which.co.uk/money/wills-and-probate/end-of-life/first-steps-when-someone-has-died-abNme2Q2ShZe

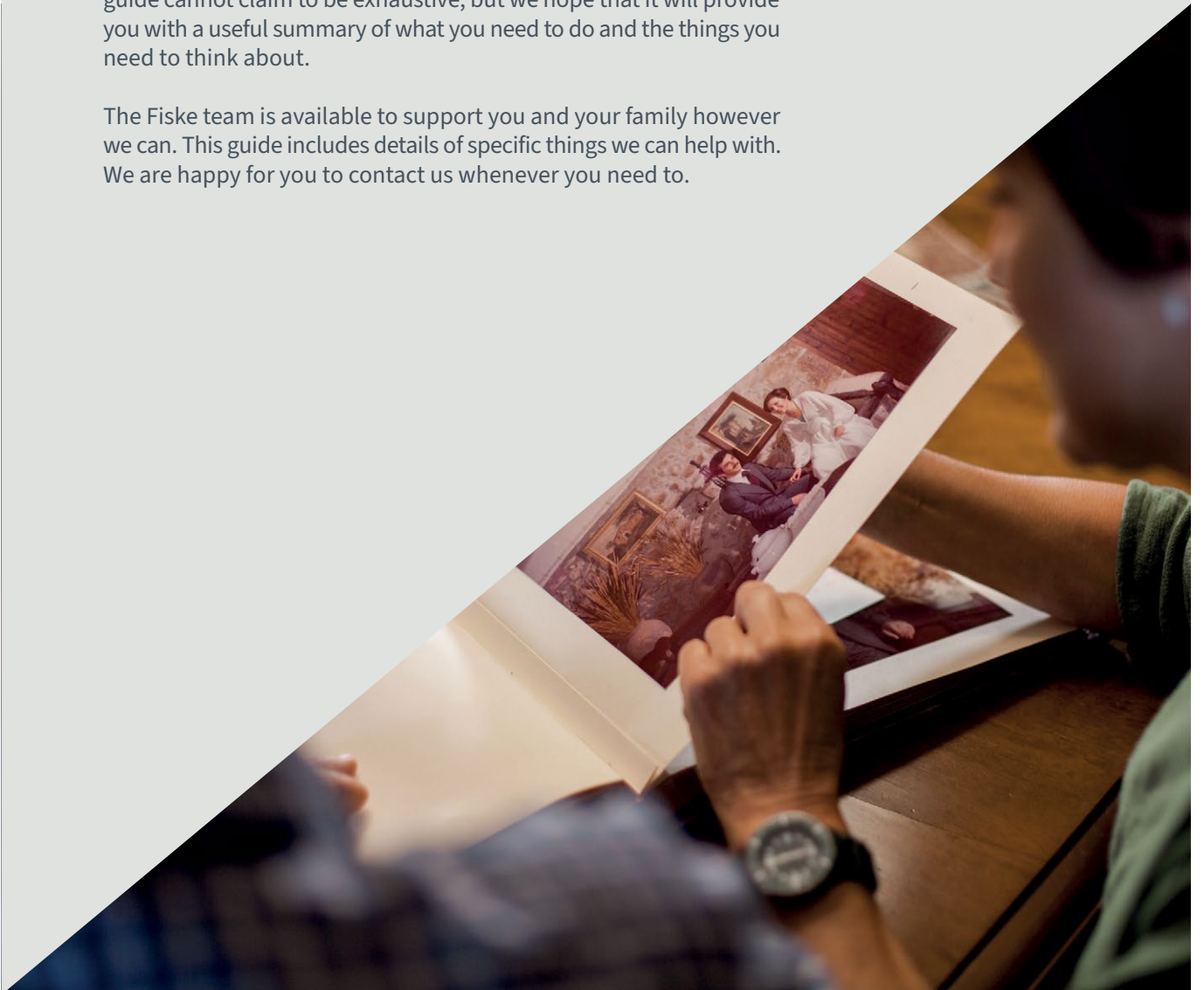
The death of a spouse or partner is always a distressing and difficult event. Suddenly, amid the grief and shock, there are dozens of things that need to be done, ranging from organising the funeral to returning the deceased's driving licence.

Even with the help of family members and trusted advisers, coping with all these demands can be a real challenge. The purpose of this guide is to provide you with an overview of what needs to be done. Although your personal circumstances may be different from those described, the general principles apply to everyone.

There are many useful sites on the web. Some are mentioned in the main text, and there is a longer list on the contents page of this guide.

The affairs of any individual can be complex and wide-ranging. This guide cannot claim to be exhaustive, but we hope that it will provide you with a useful summary of what you need to do and the things you need to think about.

The Fiske team is available to support you and your family however we can. This guide includes details of specific things we can help with. We are happy for you to contact us whenever you need to.



Early days

There are many things that must be done when someone has died. This can be overwhelming, so here is some background information and a list of practical actions such as informing people and arranging the funeral.

First steps

Inform relatives and friends about the death

Inform Fiske

As informant, you should ring Fiske and then write to us to confirm the details you know to be true. You should provide the full name and address of the deceased person and your own name, address, telephone number and email. Explain how you are related to the deceased.

You should then send Fiske an original death certificate. We will copy and return it to you.

Register the death at a register office

This must be done *within five days* (eight days in Scotland), including weekends and bank holidays. You will receive a 'certificate for a burial' to give to the funeral director, or an application for cremation which will need to be completed before a funeral can take place. The registrar will ask you for the medical certificate showing the cause of death (issued by a doctor); the person's full name (and other names they had, such as maiden name); date and place of birth; date and place of death; their usual address; their most recent occupation or if they were retired; whether they were receiving any benefits, including a state pension; and the name, occupation and date of birth of their spouse or civil partner.

If possible, you should also take the following:

- The deceased's birth certificate
- Their NHS medical card or number
- Their marriage or civil partnership certificate
- Their driving licence
- Proof of their address

You can find the location of the local register office by using the link in the useful websites

section on the contents page. Be sure to obtain additional death certificates, as some organisations will request their own certified 'original' copy.

Inform key people and organisations about the death

When you register the death the registrar will give you information on the government's Tell Us Once service (see useful websites for the link). This can be used to inform government departments (such as HMRC, the DWP and the Passport Office), the local council (for housing benefit, council tax support, the electoral register and so on) and some public sector pension schemes. If you know your loved one's account details, there are also free websites you can use to inform most of the non-government organisations in the list below. See the useful websites section to find these.

- Employers
- Banks, building societies and credit card companies
- Investment companies and share registrars (for investments not managed by Fiske)
- Mortgage providers
- Insurance providers
- Utility companies
- TV and broadband providers
- Healthcare providers
- Social media sites
- Landlords or housing associations
- Any charities, organisations or subscription services receiving regular payments
- Personal or company pension schemes
- The Bereavement Register (this removes details from mailing lists and stops most advertising mail)
- Local council where council tax is paid

Arranging the funeral

A funeral is a chance to celebrate a life. It can be as individual as the deceased person, whose will may outline their wishes for the event. These are not legally binding, but they are usually respected. In some cases the deceased may already have made funeral arrangements or written a 'letter of wishes', so it is important to find any paperwork before setting about organising a ceremony. Here are some steps to follow if you are arranging a funeral yourself.

Contact a funeral director

Ideally, choose a funeral director who is a member of either the National Association of Funeral Directors or the National Society of Allied and Independent Funeral Directors (SAIF) to organise the funeral/cremation.

Plan the service

If no instructions have been left, decide on the type of service you think would best celebrate the deceased's life. Many people opt for a traditional funeral. Other options include humanist services and green burials.

Contact a church minister, other religious leader or humanist celebrant. If you wish others to speak during the ceremony ask them beforehand and give them an idea of what you would like them to say during their eulogy.

Invite relatives, friends and former colleagues and associates

Arrange a wake after the burial or committal



Thinking about yourself

The death of a spouse or partner is always a difficult experience, even if it was expected.

At some point you will start thinking about your future finances. The first thing you are likely to consider is your regular monthly income. It is possible that your income may reduce (when your partner's salary/pension ceases to be paid), and it is likely that your finances will undergo other changes. Starting to understand your new financial situation now will help you face the future with a clearer head.

Pensions and annuities

If your spouse or civil partner was drawing a pension, it is likely that the income you receive from it will reduce significantly. The exact situation depends on the type of pension and the age of the deceased (the provider will be able to tell you exact amounts), and we recommend you seek professional financial advice to put these changes into context.

Investments

You may now need to take more income from your investment portfolio. Alternatively, you may decide that you want to change the risk profile or the way the capital is invested. Your Fiske Investment Manager will be able to recommend suitable approaches in liaison with your financial adviser or wealth manager.

Bank accounts, ISAs etc

Individuals (and couples) often have bank accounts and ISAs with money in them that can add up to a sizeable sum. Although accounts that are in the name of your partner only will be inaccessible to you until after probate, you may find money in joint accounts and cash ISAs that could help tide you over as your other financial plans for the future take shape.

Life policies

Life insurance policies are usually taken out for a specific reason, such as offsetting an Inheritance Tax bill or repaying a mortgage. However, the proceeds may also provide you with a lump sum to help with your everyday expenses, invest or gift to your beneficiaries.

Jointly owned property

You will automatically inherit your spouse or partner's share of a property if you were beneficial joint tenants at the time of their death.

However, in the absence of a will that passes the property to you, you will not automatically inherit their share if you and your spouse or partner were tenants in common. Probate or letters of administration will be needed so that ownership can pass to whoever inherits the share of the property in accordance with a will or the rules of intestacy.

If a property you inherit has a mortgage you will become responsible for its payment.

Dealing with the estate

The process of obtaining probate and settling the estate can be complex and time-consuming. Often, as the spouse or partner, you will be named as an executor. Sharing the load with other executors and trusted advisers can make things easier.

Three legal documents are required to complete the administration of a deceased person's estate:

- A death certificate
- A proved will or, if intestate, letters of administration
- A grant of probate

A will usually names a personal representative(s), known as the executor(s). They manage the deceased person's estate (money, property and possessions) and settle any Inheritance Tax (IHT) that is due. The people who will inherit are called beneficiaries.

If the deceased has left a will this will remove potential delays in dealing with their estate. First, it must be established whether the will is indeed the last will and testament of the deceased. Once the will is proved it can be relied upon to name the deceased's chosen executor(s). Fiske must be informed of the details of the executors. Executors can be held personally liable for the consequences of any mistakes they make, so many people choose to appoint a solicitor to help them handle the technicalities.

A solicitor can help with the following tasks.

Valuing the estate and checking if you need to pay Inheritance Tax

Solicitors will usually provide a comprehensive checklist of all the information needed to complete an inventory of the estate to be valued.

The value of the estate includes:

- Property (a professional valuation will be needed)
- Monies in bank accounts and pensions

investments and shareholdings (on the date of death) and the value of any business interests; Fiske will provide your solicitor with the valuations of any investments managed by us

- Possessions (such as jewellery, vehicles, collections), which need to be valued and included in the valuation of the estate

Paying any debts or taxes associated with the estate

Debts outstanding on the estate will need to be paid if there are sufficient assets. IHT must be paid no later than six months from the end of the month in which the deceased person died. IHT is complex, and the executor is personally responsible for paying it. We recommend you use a professional to complete the IHT accounts. Legal fees can be taken out of the estate if required.

Applying for probate

The central role of the executor(s) is to apply for and obtain a grant of probate, the legal right to deal with someone's property, money and possessions (their estate) when they die. The process is different in Scotland and Northern Ireland. You will normally need to apply for probate if the estate includes property. Your solicitor will guide you through this process.

If there is IHT to pay then you will normally need to pay at least some of it before you are granted probate.

Grant of probate

A grant of probate conveys legal authority upon the executor(s) to carry out (execute) the last

wishes of the deceased (the will). An administrator also acquires legal authority to deal with the estate.

Before the court can issue a grant of probate the executor(s)/administrator must include with the application details of any liabilities and the values of all assets in the estate. The court will also require evidence that IHT, if chargeable, has been paid. To pay IHT and/or to reimburse the executor(s)/administrator for reasonable funeral expenses, Fiske can assist by raising money from investments in the estate.

Fiske will require a sealed copy of the grant of probate before instructions from the executor(s)/administrator can be acted upon.

Finalising the estate

Your solicitor will also help you finalise the estate. In practical terms, this means that they will:

- Pay debts and taxes
- Keep a record of all accounts
- Distribute the estate
- Update property records

The probate process can take up to a year to complete, and probate cannot be applied for before all the information on the estate is collected and valued. This is a complex process and can take six months in its own right. This means that it may be more than 18 months before all of the details of the estate are finalised, the estate is distributed and you gain access to and control of certain parts of your finances.

Sometimes the will might not accurately reflect the wishes of the deceased. Using a deed of variation, it is possible to vary the terms to ensure that the beneficiaries and the amounts they inherit are as the deceased wanted. It is also possible for a legacy intended for a beneficiary who is already financially secure to be transferred directly to next generations.

What if I am divorced?

If you are divorced the rules of inheritance can be complex. We recommend speaking to a solicitor, especially if either of you have remarried or entered into a new civil partnership.

Will or no will?

If the deceased did not leave a will – or if a will cannot be found – the surviving spouse or partner must apply to the probate registry division of the High Court for letters of administration. A grant of letters of administration appoints the applicant as administrator of the estate. The role of the administrator is to apply for and obtain a grant of probate.

What about tax?

HMRC will want to know about the change in your income via your next Self Assessment tax return or by phone. HMRC will need to know if you now have the following:

- New interest from a bank, building society or NS&I product
- Bereavement Allowance or Widowed Parent's Allowance
- Foreign pension payments

Married Couple's Allowance

If you or your spouse/partner were born before 6 April 1935 then you may have been claiming Married Couple's Allowance. You will still get the allowance for the current tax year (up to 5 April), but HMRC will automatically stop it thereafter. You will then receive only your Personal Allowance.

Do you need a solicitor?

Many executors and administrators settle an estate without a solicitor. However, it is often best to get legal advice in circumstances such as the following:

- The terms of a will are not clear
- Part of the estate is to pass to children under the age of 18
- The deceased has left money or property in a trust
- The deceased owned land or property abroad
- The deceased owned a business
- Anyone is likely to dispute the will
- You or another executor do not feel confident in carrying out the necessary duties

Any legal fees can be paid for from the estate.

Managing your finances in the future

Although it can take some time to get your finances and administration fully sorted, there are steps you can take to help make sure that things are in order to reassure and help your family in the future.

LPAs

A Lasting Power of Attorney (LPA) for financial and health and care decisions will give your loved ones authority to act on your behalf if you are incapacitated. To create an LPA you need to have capacity – be of sound mind – when you make it. So it makes sense to create both forms before you need them. The necessary documents can be found online and the website in the list of useful websites. You may wish to seek legal advice when completing an LPA.

Update your will

You will need to update your will so that it accurately reflects your wishes now that the family finances are in your name. This will make life much easier for your family and ensure your estate is distributed as you wish. Again, this needs to be done while you have capacity.

Expression of wishes

An up-to-date expression of wishes for any pensions and declarations of trust for any life policies will nominate who should receive any assets on death.

Long-term care

You may decide to earmark some money for later-life care. How much to put aside is indeterminate, but the average time spent in a care home is two years, so after checking the costs in your area you may decide to allocate enough money for this. If the family home is sold when you move into residential care this would free up more capital for income generation and paying the bills.

If you do not expect to need the money for many years then you should consider investing it to generate a real return. You could reduce the investment risk as you get closer to needing cash. Your Fiske Investment Manager can liaise with your financial adviser on the best approach.

IHT

Inheritance Tax is an inevitability for many people. In broad terms, the current threshold for the survivor of a married couple is £1m. If your estate is worth more, 40% tax must be paid on all assets above £1m.

You should seek advice from a financial adviser or wealth manager for guidance on how exactly IHT is likely to affect your estate.

There are legitimate ways to reduce (or eliminate) IHT that you could consider.

Gifting

Once you have planned for the cost of long-term care, you may want to gift some of your remaining assets to your children or grandchildren.

The law currently allows you to make small gifts to relatives every year, but if you want to give away larger amounts your heirs could benefit from the 'seven-year rule'. Officially known as a Potentially Exempt Transfer (PET), this means that if you are still alive seven years after you made the gift they will pay no IHT. If you pass away before that time the transfer will become chargeable and will be added to your estate. Taper relief is available. You can also gift money out of income. There is no limit on how much you can give away, but you must

be able to prove that gifting the money will not affect your standard of living.

You may also want to explore allocating a portion of your assets to pay for school fees or to provide money for a house deposit. Other ideas are to give a younger relative money to top up their pension or paying into an ISA for a child. Often these funds do not need to be used immediately, so investing the money is a good strategy. Depending on your personal circumstances, it may be appropriate to set up trusts to remove the money from your estate and earmark it for a specific person (the beneficiary) and/or a specific use.

Trusts

If you have money you no longer need to access but are not comfortable with gifting it directly at this stage, a gift trust allows you to retain a degree of control over the funds while providing certain tax advantages.

Trusts can be written in favour of either a specific person (an Absolute trust) or a class of beneficiaries, such as children, grandchildren, nieces and nephews (a Discretionary trust). In the case of the latter, to help the trustees when it is time for it to be distributed, it is usual to lodge a letter of wishes that outlines how you want the trust fund to be divided up. Trusts are complicated, and you will need advice from your solicitor or financial adviser.

Philanthropy

A gift to charity can be a way of reducing the size of an IHT bill. Whatever you give to charity will be deducted from the value of your estate before IHT is calculated. If you donate 10% or

more of your estate to charity the rate of IHT is reduced from 40% to 36% across the rest of your estate.

Life cover

If your estate is large you may consider taking out a life insurance policy to help your heirs with their IHT liability when you pass away.



Planning for the next generation

One of the challenges of passing control of money to younger members of the family is that, inevitably, they have different priorities.

Making significant gifts to your heirs is a way to avoid disagreements over investment policy – and you can see your children and grandchildren getting benefit from the money while you are still alive.

Fiske has many years of experience in helping families manage and preserve their wealth across generations. We would recommend you invite the beneficiaries of your will to your regular meetings with your Investment Manager, so that everyone can plan and move forward together in a coordinated way. We can then agree with you an appropriate investment strategy to protect the wealth you will need, reduce the IHT bill and ensure that money is invested for the future.

Please contact your Fiske Investment Manager if you are currently a Fiske client. Alternatively, if you are not currently a Fiske client, please call Debbie Wellfare on +44 (0)20 7448 4711.



Fiske

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