



WATSON ESAM
Solicitors

Wills and Probate News

Issue 3 - February 2010

Welcome to our newsletter (previously called Private Client Newsletter). Our private client team is always up to date with the latest news and developments in law, and is here to help. We hope you will find it useful if we share some of this information with you.

Should your will writer be regulated?



The concept that a will is a simple document to draft may be true in some cases, but as everyone is different and has differing circumstances, there is rarely a one size fits all scenario when drafting a will and many are quite complex indeed. You need to make sure that you are happy that your will is written by an expert with plenty of experience so that you are sure that your wishes are going to be carried out properly when you die.

You can certainly have your will drafted by will writers who often advertise in the local press, but how much security can they provide? There are of course good will writers, but there are those who are not and as they are not regulated in any way—how do you know which are which? This is something which has caused huge press coverage recently as professionals lobby for regulation to be introduced to protect the public.

If you have your will drafted by a solicitor, the quality, effectiveness and legality of it will be certain. Solicitors are regulated by the Law Society. This means that they have rules by which they have to abide and if they fail to do so they face penalties, which could be as severe as being 'struck off' meaning that they will never be able to work as a solicitor again.

Solicitors must also be protected by insurance, so in the unlikely event that something did go wrong, the client has some form of redress. This is not the case, however, for will writers. They are not regulated and they do not have to be insured so the client does not have the peace of mind that they have some form of protection if the will is mis-drafted for example.

Will writers sometimes offer to draft wills for around £50 and of course this cost is tempting but you do need to make sure there are no hidden costs. For example, some companies advertise a cost, but charge extra to include additional clauses over and above a 'standard pre-drafted will'. Some make an up-front charge to be named as executors (even though at that stage they have not done any work as executors), and some even charge additional fees to witness the will. Whilst the cost of drafting a will by our solicitors at Watson Esam is more than £50, we provide free of charge storage for as long as it is needed. This might not be the case with will writers and in an extreme case which we have recently come across a couple in their late 30s were being charged £5 per person per week storage fee. That is a staggering £520 a year, which is over £10,000 for 20 years—most wills are stored for longer than that. So what about that bargain £50 will now?!

Of course, will writers may be able to write simple wills, but it is unusual for them to be able to offer the other advice that is needed to make sure your personal circumstances are taken into account. Issues relating to all taxes, children, divorce and separation for example often make a will quite a complex document to draft.

At Watson Esam we have been writing effective wills for our clients for over 150 years. Our solicitors are experts in their field and are able to offer the full range of advice needed at each step of writing your will. We charge a fee of £117.50 for an individual or £211.50 for a couple to make straight forwards wills – with no hidden extras. This fee includes drafting the will, sending drafts for you to approve along with 'plain English' explanations of each clause, witnessing your wills and also storing your wills indefinitely.

The choice of course is yours, but we are confident that we offer value for money and that your best interests will be met if you choose us. For further information please contact Lauren on 0114 275 3350/option 6 or email her at lauren.smith@watson-esam.co.uk

Inheritance tax thresholds frozen

Is your will up to date?

The December 2009 Pre-Budget report was a blow for individuals as it was announced that the inheritance tax threshold (the nil rate band) was to be frozen at £325,000.

Inheritance tax is actually charged at two rates; 0% and 40%. Up to the nil rate band (currently £325,000) inheritance tax is charged at 0%. Above the nil rate band is taxed at 40%.

Normally each year the tax thresholds increase to allow for increases in values of assets, especially properties. However this is not the case this year. The last time the government decided to freeze the nil rate band was 1994/1995, when the threshold was just £150,000.

Some people may take the view that the threshold is quite generous and are therefore not aggrieved by the freeze. However considering that the average UK home is now worth more than £205,000 it is easy to see how a person's estate can quickly exceed the tax threshold when such things as savings, investments, life insurance payouts, death in service benefits and pensions (to mention but a few assets) are added.

So, in order to ensure that your affairs are planned properly and in accordance with your wishes, specialist inheritance tax advice from your solicitor is vital.

Watson Esam has many years' experience in providing this specialist advice to clients. For advice and information please contact Lauren Smith on 0114 275 3350/option 6 or email lauren.smith@watson-esam.co.uk.

Many people believe, incorrectly, that once they have drafted their will they can tick it off the list and forget about it. However it is vitally important to ensure that your will is up to date, as many things will change over the years which could impact upon your will. For example:

- Your family may have grown and there may be other members that you would like to benefit from your will
- You may have lost contact with people named in your will or changed your mind about including them
- You may have divorced or separated from your spouse/partner and your old will may no longer reflect your wishes as to who should benefit from your estate
- You may have had children and need to appoint guardians in your will
- You or others named in your will may have moved house or changed name and thus the details contained in your will are not up to date
- You may have married since the date of your last will and therefore your old will would have been revoked and instead your estate would pass according to the strict legal entitlement known as the intestacy rules
- Your children may now be old enough to be named as executors under your will or you may decide that they are not responsible enough to inherit monies, for example at the age of 18 and wish to change this to 25 instead

Any of these changes could mean that your will would not reflect your current wishes when you die.

For more advice on this matter please do not hesitate to contact Lauren Smith on 0114 275 3350/option 6 or email lauren.smith@watson-esam.co.uk

Thank you.....

To all our clients who took part in 2009's Will Aid scheme which helped us to contribute more than £5,700 to some very worthy charities — ActionAid, British Red Cross, Christian Aid, Help the Aged, NSPCC, Save the Children UK, SCIAF, Sightsavers International and Trocaire.

We were once again delighted to offer our services free of charge which allowed our clients to make a donation to the Will Aid scheme.

Despite the recent doom and gloom and the economic downturn, early indications show that this year was a massive success and it may even exceed last year's total. We will report further in future newsletters.

**WILL
AID**

Discount Voucher

Why make a Will?

- A will ensures that your estate passes in the way you want following your death.
- A will provides for your loved ones who may not otherwise be provided for.
- A will can ensure your spouse inherits all of your estate which they may not otherwise be entitled to.
- A will can deal with tax planning to reduce or eliminate inheritance tax liability.

£20 off a full cost single will or £40 off full cost mirror wills with this voucher.

*Valid until
30 April 2010*



For further help and assistance on any issue relating to wills, trusts, probate or lasting powers of attorney, contact us on 0114 275 3350 or lauren.smith@watson-esam.co.uk