

Wills and estate planning

Practical advice about making
and updating your will

Money
matters



Information and advice you need to help you love later life.

We're Age UK and our goal is to enable older people across the UK to love later life.

We are passionate about affirming that your later years can be fulfilling years. Whether you're enjoying your later life or going through tough times, we're here to help you make the best of your life.

This information guide has been prepared by Age UK and contains general advice only, it should not be relied on as a basis for any decision or action and cannot be used as a substitute for professional medical advice.

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Contents

What this guide is about	2
Why is it important to make a will?	3
What happens if I don't make a will?	5
How to make a will	6
What to include in your will	8
Signing the will	8
Choosing executors	10
Valuing your estate	12
Leaving a legacy	13
Planning for Inheritance Tax	16
How to change a will	18
Important documents relating to your will	20
Useful organisations	22

What this guide is about

Making a will is vital if you want to be certain that your wishes will be met after you die. It can be easy to put it off, but the process may not be as difficult as you think. This guide is designed to highlight the benefits of making a will, 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 (your property, savings and possessions).

This guide is applicable across England and Wales. In Scotland, contact Age Scotland for their free factsheet *Making your will* on 0800 470 8090 or download it from www.ageuk.org.uk/scotland. In Northern Ireland, contact Age NI for their version of this guide.

Key

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

Why is it important to make a will?

There are many reasons why you should make a will.

- **Looking after your loved ones.** Although it can be hard to talk about death, making it clear how you would like your estate to be distributed can save everyone a lot of worry. Deciding who you want to leave your property, savings and possessions to should ensure that everything goes to the people and causes you care about.
- **Protecting your assets for future generations.** A well-structured will can ensure that assets are kept within the family and are passed on down the generations.
- **Reassurance.** A will is the only way to make sure your estate goes to the people and causes you intended.
- **Avoiding disputes.** Badly drafted wills can cause arguments among family members and may even need a solicitor to resolve them. Leaving a properly prepared will should remove any doubt about who you want to benefit from your estate and avoid additional stress at an already difficult time.
- **Your funeral.** Your will can include whether you would prefer to be buried or cremated, and the type of funeral service and music you would like. For more information about funeral options, see our free guide *When someone dies*.
- **Saving on Inheritance Tax.** With a carefully planned will, it may be possible to reduce the Inheritance Tax bill payable by your estate after your death. For more information on Inheritance Tax, see page 16.

Making a will is vital if you want to be certain that your wishes will be met after you die. It can be easy to put it off, but the process may not be as difficult as you think.

What happens if I don't make a will?

If you don't make a will, in legal terms you will die 'intestate' and your estate may not go to the people you intended. In this case, there are special rules called the Intestacy Rules for how your estate will be distributed. Your estate means everything you own, including money, property, possessions and investments (your assets). These assets will only be distributed after all your debts, funeral and administration expenses have been paid.

Under the Intestacy Rules, if you have a spouse or civil partner and children, your spouse or civil partner will inherit all your personal possessions and at least the first £250,000 of your estate, plus half the rest. Your children will then be entitled to the other half of the balance.

If you have a spouse or civil partner, and do not have children, your spouse or civil partner will inherit your whole estate which will include your personal possessions.

If you and your partner aren't married or in a civil partnership, and they are not included in a will, they have no automatic right to inherit from your estate. This applies even if you have lived together for a long time or have children together.

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 and Inheritance Tax helpline (see page 24).

How to make a will

There are a number of different ways to make a will.

Make your own will: 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. You can buy ‘do-it-yourself’ will kits and forms from stationery shops and online, but it’s easy to make mistakes when filling them in, miss out important details or not be absolutely clear what you want. This can cause problems for your beneficiaries and executors after your death. A will is a legal document so it needs to be written and signed correctly. If you decide to make your own will, research the different kits and forms available and seek advice first.

Professional will writers: Professional will writers are not qualified solicitors and may not be regulated. If you decide to use one, check whether they are a member of the Institute of Professional Willwriters first (see page 23). Find out more about professional will writers in our free factsheet *Making a will*.

Solicitors: It’s usually best to get advice from a solicitor, except in very simple cases. You may wish to speak to a solicitor who specialises in wills and probate.

If you decide to use a solicitor, first check that they are licensed with the Law Society (see page 23). Ask them to confirm their fee for writing your will, as solicitors often charge a fixed fee for this work rather than their hourly rate. Their fees should be explained in their letter of engagement.

Your solicitor may be able to store your will safely for you. Check whether there will be an extra charge for this. You must let your executors know where it’s kept. You can also request copies of your will to keep yourself and, if you wish, give to your executor(s).

Charities

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's a particular charity that you favour, check whether they provide this service.

Free Wills Month is an annual campaign in England and Wales offering to write free simple wills for people over 55. This takes place every March and October. Visit www.freewillsmoonth.org.uk to find out more.

Will Aid is a similar UK-wide scheme run every November. There's no age restriction but you will be asked to donate to a group of charities which includes Age UK. Visit www.willaid.org.uk to find out more.

Age UK Enterprises Limited* also offers legal services, such as will writing, which are provided by the law firm Irwin Mitchell. Call Irwin Mitchell on 0800 055 6314 for more information.

Banks

Some banks now offer will-writing services and advice about estate planning. Contact your local branch to book an appointment with an adviser to find out what they can offer you, and remember to ask how much they charge, as some banks charge high fees for this service.

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See our free factsheet *Getting legal advice* for more information. The Law Society can provide you with a list of local solicitors in England and Wales (see page 23).

*Age UK Enterprises Limited is the commercial arm of Age UK (Charity No 1128267) and donates its net profits to that charity. Age UK Enterprises Limited is registered in England and Wales, No. 3156159. Registered address: Tavis House, 1-6 Tavistock Square, London, WC1H 9NA. Age UK is a charitable company limited by guarantee and registered in England (company number 6825798). The registered address is Tavis House, 1-6 Tavistock Square, London WC1H 9NA.

Irwin Mitchell LLP is a limited liability partnership registered in England and Wales with number OC343897 and is regulated by both the Solicitors Regulation Authority and Law Society of Scotland.

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 after paying funeral and administrative expenses and legacies) is to go.

Alternatively, you can divide your estate between a number of people in specific 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 any of your beneficiaries should die before you do. You can leave money to charities in your will, too.

Who you leave money to might affect whether or not you need to pay Inheritance Tax. See page 16 for more information.

You should review your will at least every five years and after any major change in your life, such as divorcing, having a new grandchild or moving house.

Signing the will

You must sign your will in the presence of two independent witnesses, who must then also sign it in your presence – so all three people should be in the room together when each one signs. If the will is signed incorrectly, it will not be valid.

It is very important to make sure that beneficiaries of the will, their spouses or civil partners, and your executor(s) 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.

Deciding who you want to leave your property, savings and possessions to should ensure that everything goes to the people and causes you care about.

Choosing executors

When you make your will, you will need to choose your executor(s). These are the people who will deal with your estate, collecting and 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. Explain to them what's involved and check that they're willing to act on your behalf. You could give them a copy of our free guide *How to be an executor* so that they can read more about the role.

You can appoint any number of executors, but only a maximum of four may apply for the Grant of Probate, the official document needed to deal with your estate. It's a good idea to choose more than one executor, so that they can share the responsibility of dealing with your estate, and in case one of them dies before you do. The people you choose to act as your executors can also inherit something from your will, but they aren't usually paid for their work as executors.

Acting as an executor is not an easy task and your family and friends may prefer not to take on the role. You could appoint a professional executor, such as a solicitor or an accountant. A professional executor could be especially useful if your estate is large or complicated, if there is likely to be a family dispute, or if someone independent would be better placed to deal with things. They will charge for their services and this will be paid for out of your estate.

In England and Wales, you can find a solicitor who specialises in this by searching the Law Society website (see page 23), or calling its office. It can also help you to find solicitors who provide information in other languages. They won't recommend a solicitor, so if you have several options, telephone a few solicitors to compare the services they offer and their fees.

Solicitors for the Elderly can help you to find a solicitor in your area. You can use the tool on their website to search for solicitors by name, location or specialism, or call the office for assistance (see page 24).

Age UK Enterprises Limited* offers legal services, which are provided by the law firm Irwin Mitchell. Call Irwin Mitchell on 0800 055 6314 for more information. Subjects covered include wills, probate and powers of attorney.

Another option is to ask a charity to act as your executor. In some circumstances, Age UK can be appointed as executor. To find out more, please see the insert at the end of this guide.

If you have no one who can act as an executor, there is a government official called the Public Trustee who can do this. For more information, contact the Public Trustee (see page 24).

Trusts

If you have created a trust in your will your executors can be appointed as trustees as well. A trust is a way of looking after assets for other people, for example when someone is too young to manage their affairs. If anyone under the age of 18 is to be a beneficiary of the trust, you should appoint at least two trustees/executors. Take professional advice about creating a trust.

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For more information, see our free guide *How to be an executor*.

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Valuing your estate

When 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 is worth, which will help you to write your will.

Assets that typically make up an estate include:

- your home, and any other properties you own
- savings in bank and building society accounts
- National Savings, such as premium bonds
- insurance, such as life assurance or an endowment policy
- pension 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.

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For more information, see our free factsheet *Dealing with an estate*.

Leaving a legacy

Your will is a way to remember those who are important to you. After you have provided for family and friends, like many other people you may choose to leave legacies to your favourite charities.

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

- residuary – a proportion of your estate given when all other costs and gifts have been paid
- pecuniary – a fixed sum of money
- specific – a named item, such as a house, gold watch, or piece of furniture.

If you plan to leave a gift to a charity in your will, make sure you include the charity's full name, address and registered charity number. Incorrect information may result in your chosen charity not receiving the gift. Some charities offer a free will-writing service in the hope that you will choose to leave them a gift in your will.

If you are interested in supporting the work of Age UK, Age Cymru or one of our local partners through a gift in your will, please see the insert at the end of this guide for more information.

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

‘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 leaving some things to 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.’



Planning for Inheritance tax

Inheritance Tax is a 40% tax applied to estates that are worth over £325,000 (this includes your savings, possessions, pension funds and your property).

The first £325,000 of the estate is tax free, so the 40% tax only applies to the rest of the estate.

There are some exemptions to Inheritance Tax. For example, if you leave your whole estate to your husband, wife or civil partner, then no Inheritance Tax will be payable.

Anything you leave to a charity will also be exempt from Inheritance Tax. If you leave 10% of your estate or more to charity, then a reduced rate of Inheritance Tax at 36% may apply to what is left over. Rules apply, so seek advice if you are planning to do this.


You may want to gift money and property to your beneficiaries before you die. Be aware that gifts made even while you are alive could be liable to Inheritance Tax, depending on how much they were and when they were given. Seek advice or find out more in our factsheet *Dealing with an estate*.

Setting up a trust may reduce the amount of Inheritance Tax paid. There are different types of trust and they may affect your Inheritance Tax bill differently. Find out more about trusts at www.gov.uk/trusts-taxes/overview and take professional advice.

what next?

Inheritance Tax can be very complex so it's best to seek professional advice. Find a solicitor through the Law Society (see page 23) or Solicitors for the Elderly (page 24). Age UK Enterprises Limited* also offers legal services, which are provided by the law firm Irwin Mitchell. Call Irwin Mitchell on 0800 055 6314 for more information.

Be aware that gifts made even while you are alive could be liable to Inheritance Tax, depending on how much they were and when they were given.



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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 new grandchild 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 makes amendments or additions and must be signed and witnessed in the same way as the original will.

Once your will has been revoked you may wish to destroy it or keep it and mark it as revoked to avoid any potential for confusion in the future. If you marry, remarry or enter a civil partnership, this will revoke a previously existing will. Divorce does not automatically invalidate a will made during the marriage, but will exclude your ex-spouse or civil partner from benefit if he or she is mentioned in the will.

You should review your will at least every five years and after any major change in your life, such as having a new grandchild or moving house.

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
- documents relating to a mortgage or loan
- documents relating to pensions
- utility bills.

what next?

Age UK produces *LifeBook*, a simple way to record your details, contacts and the location of important documents. Call 0800 022 3168 for more information and to order your free copy.

Notes

A series of horizontal dotted lines for taking notes.

Useful organisations

Age UK

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

Lines are open seven days a week from 8am to 7pm.

www.ageuk.org.uk

Call Age UK Advice to find out whether there is a local Age UK near you, and to order free copies of our information guides and factsheets.

In Wales, contact

Age Cymru: 0800 022 3444

www.agecymru.org.uk

In Northern Ireland, contact

Age NI: 0808 808 7575

www.ageni.org

In Scotland, contact **Age Scotland** by calling Silver Line Scotland: 0800 470 8090 (This is a partnership between The Silver Line and Age Scotland)
www.agescotland.org.uk

Citizens Advice

National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

In Wales, there is a national phone advice service on 0344 477 2020. It is available in some parts of England on 0344 411 1444.

To find details of your nearest CAB in:

England or Wales: www.citizensadvice.org.uk

Visit www.adviceguide.org.uk for online information

Gov.uk

The official government website that provides information on public services such as legal advice and legal aid, benefits, jobs, pensions and health services. Use the search function to access the legal aid eligibility calculator.

www.gov.uk

Institute of Professional Willwriters

Provides an online directory of members who all comply with the Institute of Professional Willwriters code of practice.

Tel: 0345 257 2570

www.ipw.org.uk

Law Society of England and Wales

Representative body for solicitors in England and Wales.

Provides information on legal issues, including making a will.

Contact them or use the 'find a solicitor' search tool on their website to find a solicitor.

Tel: 020 7320 5650

www.lawsociety.org.uk/for-the-public

Probate and Inheritance Tax helpline

Information and advice on probate and Inheritance Tax, as well as contact details for local probate registries.

Tel: 0300 123 1072 (Probate and IHT helpline)

Public Trustee

Government official who can be an executor if there is no one suitable to appoint.

Tel: 020 3681 2759

www.gov.uk/public-trustee-executor-will

Society of Trust and Estate Practitioners (STEP)

Provides an online directory where you can search for a STEP member who can provide law and tax advice about trusts, estates and inheritance.

Tel: 020 3752 3700

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

How a gift in your will can help older people

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

In fact, we couldn't be there for all the people who need us without these gifts. Nearly half of our donated income comes from supporters who have remembered us in their will, so this is one of the most powerful ways you can help older people.

For people who feel isolated, lonely and forgotten, we're often the only help they can count on.

Sometimes it's practical help, like fitting a grab rail or a door lock and chain to help someone feel more secure in their home. Or perhaps they're missing out on the financial support they're entitled to. A benefits check could help them to stop worrying about whether they can afford to put the heating on.

We understand that you want to take care of your family and friends first, but even a small percentage of what is left after your loved ones have been provided for 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 us a gift in their will.

If you decide to leave a gift to Age UK in your will, you can be sure that it's spent where the need is greatest. You can choose to leave your gift to benefit older people in the UK (either nationally or locally) or overseas (through Age International).

Gifts in wills help us to achieve amazing things

Gifts in wills help to fund many of the vital services we provide to ensure older people receive the support they need.

A gift in your will to Age UK could help to:

- bring companionship to vulnerable older people who have no one to turn to
- provide free, expert information and advice to help older people in need
- answer the phone to vulnerable older people on our Advice Line
- relieve poverty, by providing expert help and advice to ensure older people make the most of their money
- fund social research into the issues affecting older people to give them the help and support they need
- campaign for older people's rights to equal and fair treatment.

These are just a few examples of how gifts in wills enable our vital support network to be here to help with everyday needs, so people can continue to live with dignity and respect.

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

How we can help you

If you're thinking of remembering Age UK in your will, our Legacy team is happy to explain how a gift in your will could help to support our vital work. They are available to discuss any questions you may have.

Please contact the Legacy team

on **020 3033 1421**

email **legacies@ageuk.org.uk**

or write to Legacy Department, Age UK, Tavis House, 1–6 Tavistock Square, London WC1H 9NA

To find out more about leaving a gift to:

Age Cymru, call **029 2043 1555**

Age NI, call **0808 808 7575**

Age Scotland, call **0800 470 8090**

Appointing Age UK as executor

In some circumstances, Age UK can be appointed as executor. Age UK has a relationship with a panel of solicitors who would carry out all the work involved. Your estate will bear all the costs and Age UK would monitor the administration as part of its normal routines. You don't have to leave a gift to Age UK in your will, but if you are interested in supporting our work we can provide further information.

Age UK cannot give any specific legal advice on your own circumstances and you should refer to your solicitor for this. For more information contact the Legacy team on 020 3033 1421 or email legacies@ageuk.org.uk

Supporting the work of Age UK

Age UK aims to enable all older people to love later life. We provide vital services, support, information and advice to thousands of older people across the UK.

In order to offer free information guides like this one, Age UK relies on the generosity of its supporters. If you would like to help us, here are a few ways you could get involved:

1 Make a donation
To make a donation to Age UK, call us on **0800 169 8787** or visit **www.ageuk.org.uk/get-involved**

2 Donate items to our shops
By donating an unwanted item to one of our shops, you can help generate vital funds to support our work. To find your nearest Age UK shop, visit **www.ageuk.org.uk** and enter your postcode into the ‘What does Age UK do in your area?’ search function. Alternatively, call us on **0800 169 8787**

3 Leave a gift in your will
Nearly half the money we receive from supporters come from gifts left in wills. To find out more about how you could help in this way, please call the Age UK legacy team on **020 3033 1421** or email **legacies@ageuk.org.uk**

**Thank
you!**

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:

- *How to be an executor*
- *Powers of attorney*
- *When someone dies*

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 are not in the box below, call Age UK Advice free on **0800 169 65 65**.

