

Rightfocus

Avoid ill will – be clearer when making a Will

Natalie Palmer, a Solicitor and Partner at Latimer Hinks is urging anyone thinking about making a Will to be clearer about their intentions to avoid ill Will in the future.

The recent case of Kloosman v Ayleen highlights the confusion that can arise when lifetime gifts are given to the same people who are due to benefit under a will. Richard Frost made a will that divided his estate into thirds – one third for his daughter Linda, one third for his daughter Susan and the remaining third for his son and grandchildren. Soon after making the will, Mr Frost sold his house for £350,000 and moved in with his daughter Linda. A few weeks later, knowing he was dying of cancer, he made cash gifts of £100,000 each to Linda and Susan.

When Mr Frost died in March 2008, his estate included the remaining £137,000 from the sale of his house. Confusion arose over whether Mr Frost had intended the gifts to be advance payments to Linda and Susan for their shares set out in the will. Or did he want them to inherit a third of the remaining £137,000 in addition to the £100,000 they had already received?

The law says that when a parent leaves a substantial share of his/her estate in his/her will to children and then gives a large life-time gift to one of those children, the gift will usually be treated as part of the child's inheritance. However in this case, Deputy Judge Vivien Rose decided that Mr Frost had not intended to 'pay' his daughters for looking after him. The judge therefore ordered that Linda and Susan should each receive a third of the remaining £137,000.

Natalie Palmer, a specialist in Wills Probate and Trusts, said: "parents wanting to benefit children before they die need to consider the consequences, and be clear and open about their intentions if they want to avoid family fights and court battles."



Natalie Palmer, Solicitor and Partner at Latimer Hinks.

"No one will ever know for certain what Mr Frost intended. He may have assumed that it was obvious that the gifts to his daughters should be brought into account in distributing his estate equally, but it is just as likely that he never gave the issue a moment's thought."

Natalie, who along with other members of the private client team is a member of the Society of Trust and Estate Practitioners and Solicitors for the Elderly, added:

"What is certain is that he left a legacy of ill will and division amongst his family by not stating his intentions. If he had taken advice and made a properly informed decision, his family might have found it easier to accept the outcome."

For further information contact Natalie on 01325 341500.

Welcome to the Latimer Hinks May edition of Rightfocus...

In this issue we lead with an article urging anyone thinking of making a Will to be clear about their intentions.

In our business section examine the implications of unpaid parental leave and continue with news of an initiative to lend to SMEs and a precautionary piece on redundancy consultation.

In news for the individual you will find some good news for consumers regarding the duties of the newly created FCA (replacing the FSA) and you can find out how Latimer Hinks solicitor Gillian Ibbotson has raised over £1,400 for Support Dogs.

Finally, on the back page Martin Williamson provides some seasonal advice on how spring cleaning your home can help when you wish to sell.



Latimer Hinks
S O L I C I T O R S

Unpaid parental leave up from 13 to 18 weeks

From March 8 2013, changes reflecting a revised EU Parental Leave Directive will entitle parents to up to 18 weeks unpaid leave in the first five years of a child's life – rather than the current 13.

The new laws, originally anticipated for March 2012, will enable both parents who have served at least one year's continuous employment to take leave for each child they have – even if they are born at the same time, such as twins or triplets. However, unless there is a collectively agreed policy in a company organisation, parents will each be restricted to a default maximum of four weeks of unpaid leave each year.

Parents must give 21 days notice of their intention to take leave in one week blocks (or shorter periods if the child is disabled), with the employer entitled to defer leave for up to 90 days if it would cause the business to be 'unduly disrupted'.

An additional four weeks unpaid leave is also allowed if the employee has

multiple children under five. Adoptive parents must take their parental leave by the fifth anniversary of the adoption or by the child's 18th birthday, whichever occurs sooner. And if a child receives disability allowance, unpaid parental leave entitlement is increased to 18 weeks up until its 18th birthday.

Unpaid leave can be used for diverse reasons, ranging from coping with schooling problems and managing childcare issues, right through to attending medical appointments.

At its simplest level, it can also be taken by parents keen to spend more time with their child.

Although the evidence so far suggests that men are less likely to take unpaid leave than women – perhaps not surprisingly in a recession when the pressure to earn remains high – the Government sees the changes as making a positive contribution to work-life balance.

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Collective redundancy consultation period decreases

April 6 2013 saw the minimum period during which employers are required to consult with union or employee representatives regarding proposals made after this date cut from 90 to 45 days.

The changes, which only apply to very large scale redundancies affecting 100 or more employees, need to be taken quickly on board by companies to avoid up to 90 days pay protective award for each employee should they fail to consult within the new timeframe.

£70 million lending boost for SMEs

“Three new lenders – Market Invoice, URICA and Beechbrook Capital – will each share more than £30 million of government funding to offer SMEs alternatives to traditional bank lending.”

With a lack of access to finance still hindering growth, small and medium-sized businesses (SMEs) are set to receive a £70 million lending boost through a government initiative to increase finance availability.

The scheme involves three new lenders – Market Invoice, URICA and Beechbrook

Capital – who will share in more than £30 million of government funding to offer SMEs alternatives to traditional bank lending. Each lender has been asked to commit to attracting additional funding from private sector investors to increase the SMS credit pool available by more than £70 million.

Business Secretary Vince Cable set the scheme in context saying, “We are taking a range of actions to support SMEs and shake up business finance markets, including through the new business bank. This £30 million announcement is an important boost for non-traditional lenders with creative and innovative solutions. It will increase competition and create a more diverse and balanced market for business lending.”

Market Invoice offers an innovative online platform through which SMEs can raise

funds by selling individual invoices to a pool of investors.

URICA will establish a new supply chain finance platform to provide a consistent channel of cash from institutional investors to SME suppliers by enabling early payment of their bills to mid-sized growth companies.

Beechbrook Capital is a mezzanine fund manager and will establish a new fund to lend to SMEs focused on growth capital.

The £30 million funding comes from the small business tranche of the Business Finance Partnership (BFP). With 85 per cent of all business loans currently handled by the big four banks, the government has committed to providing £100 million of funding for non-traditional lenders in order to diversify the sources of finance available to SMEs and improve competition.



Gillian goes extra mile to raise £1,400 for Support Dogs

Gillian Ibbotson has raised £1,400 so far after completing the London Marathon to raise vital funds for Support Dogs, a national charity that gives “a new lease of life” to people with epilepsy, physical disabilities and children with autism.

The charity trains three main types of support dog including seizure alert dogs, disability assistance dogs and autism assistance dogs for thousands of families across the UK. It receives no support from government and relies entirely on charitable donations. It costs £12,000 to put one Support Dog through a twelve-month period of training.

Gillian, a Solicitor in the Private Client Department at Latimer Hinks solicitors, said: “It was an exhilarating experience finishing the marathon and a wonderful feeling to know that I was running not only as a personal challenge, which it was, but also to raise money for such a vital cause as Support Dogs.

“The charity does an amazing job training and providing life-long support to these dogs that literally have the capacity to turn peoples’ lives around. Since joining the family, the Gregor’s Support Dog, Oyster, has provided a remarkable support and friendship to young Elizabeth and has literally given her a new lease of life.”

Gillian is raising money to help people like seven-year old Elizabeth Gregor from Guisborough who is autistic and also

suffers from Dravet syndrome, a rare form of epilepsy. The youngster has blossomed since four year old Labrador Retriever Oyster joined the family three years ago after completing her training with Support Dogs.

Her mother Marie said: “Elizabeth has been given a new lease of life since Oyster joined our family. She used to refuse to walk anywhere and had difficulty communicating with people, now she holds on to Oyster and walks everywhere with me, including regular walks to the woods, which she loves.

“I cannot believe how much Oyster has changed Elizabeth’s life for the better. She

started talking to Oyster and then about the dog and has now really opened up. Her communication skills have improved hugely. She loves to play with her dog and it’s lovely to see her laughing while playing in the garden with Oyster. It really is fantastic to see, and couldn’t ever have been achieved without Support Dogs.”

To donate to Gillian’s Just Giving account, which will remain open for another three months, please visit www.justgiving.com/Gillian-Ibbotson.

For more information about Support Dogs, visit www.support-dogs.org.uk.

From FSA to FCA: good news for consumers

April 1 saw the Financial Services Authority (FSA) cease to exist under the terms of the Financial Services Act 2012 – replaced by a new Financial Conduct Authority (FCA).

The role of the FCA – based in the same HQ, run by largely the same personnel but with a more consumer-focused Board – will differ from the old FSA. This performed a dual function of encouraging growth in the financial services sector, as well as protecting consumers.

Savers, investors and borrowers are clearly the FCA’s new priority in a bid to boost consumer confidence following the endless series of financial disasters since the banking crisis took hold in 2008.

The FCA will regulate the marketing of financial products and set minimum standards – supervising some 26,000 financial firms and regulating the prudential standards of 23,000 of them. It will be able to ban financial products for up to a year, as well as indefinitely.

Although the new body does not recommend specific firms or products, it operates a consumer helpline offering impartial information including contact details for other organisations and general guidance.

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Spring clean your home for a seasonal sale

Spring is about to get sprung and it is the season that many home owners traditionally use to clean their home with a view to putting it on the market. Here are some tips for prospective sellers thinking about putting the 'For Sale' sign outside their home this spring.

A home makeover can make all the difference as to whether you manage to sell your pride and joy or whether it's left languishing on your estate agent's books. Any decent agent will be able to advise the best way to market your home. However, a virtually cost-free mini makeover can make all the difference.

So, what can buyers do to make their homes more attractive, especially in the midst of a tough housing market?

Think minimal

Spring is the perfect time to de-clutter your home and make some space (or at least give the illusion of more space.) Potential buyers are often put off from a buying a house because of excess clutter. A good way of ensuring that your house is presented in the best possible light is to think as minimally as possible. Potential



Martin Williamson, Head of Residential Property

buyers need to be able to see that they can put their own stamp on a new home.

Neutral does it

Try to stick to neutral paint schemes when decorating your house for a sale. There's a good reason why magnolia is such a popular colour in rental properties. This is because potential buyers can see that they can easily put their mark on a property without their vision of a new home being clouded by bold and overwhelming colour schemes.

Don't forget the outside

In making your home market ready, don't neglect your garden. Clutter outside puts your property in as poor a light as jumble inside. Mow the grass, clear up any weeds and repair any broken fences, for instance.

Be pet safe

Granted you may love your pet, but not everyone can see past the over-enthusiastic greeting and the pet hairs. Leave your best friend with a relative for the day, and remember to vacuum away any hairs on the floor or furniture.

Give the illusion of space

If like in many modern homes space is at a premium, think about how you can best present your home to present the illusion of spaciousness.

Room to store

Many home owners use their back bedrooms or garages as storage space. There is nothing worse than when a prospective buyer on viewing your property encounters a mountain of junk in a space that should be used as an extra bedroom or as a garage. Pare your clutter down to the absolute minimum to achieve the illusion of space, and this will also help prospective buyers view see themselves actually living in your house.

For further information on buying or selling your home contact Martin Williamson or Dorothy Price on 01325 341500.