

Rightfocus

Latimer Hinks receives endorsements from Legal 500 & Chambers UK



Anne Elliott, Chief Executive at Latimer Hinks.

Latimer Hinks Solicitors are delighted to have received national recognition from one of the UK's most influential legal guides – The Legal 500 and Chambers UK.

Nine lawyers from the firm are mentioned in the latest Legal 500 which gives in-depth information and recommendations on law firms in more than 70 countries. The UK Legal 500 says:

Personal Tax, Trusts & Probate - Anne Elliott, (Chief Executive), 'places the interests of her clients at the forefront of everything she does'. Elizabeth Armstrong (Director) is 'able to explain intricate trusts and tax matters simply and succinctly'. Andrew Way (Managing Director), a member of Solicitors for the Elderly, and Natalie Palmer (Director), a dementia champion, are 'professional and empathetic'.

Agriculture and Estates – Anne Elliott is recommended for agricultural tenancy work and succession and tax planning matters, while Tim Haggie (Consultant) regularly advises on transactions and mineral-related options and leases.

Commercial Property – Neil Stevenson (Director) is 'technically excellent, and ensures that matters are dealt with in the quickest possible timescale'; Adam Wood (Solicitor) is 'approachable, and extremely thorough in his work'. Nicola Neilson (Director) advised on the complex transfer

of three properties from one pension scheme to another.

Corporate and Commercial – the 'practical and technically strong' Nicholas Poole (Consultant) focuses mainly on advising SMEs on contractual matters.

Anne Elliott is also singled out in the Chambers UK Guide. Its rankings take into account technical legal ability, professional conduct, client service, diligence and commitment to Clients. Chambers UK says:

Agriculture & Rural Affairs - The 'technically excellent' Anne Elliott 'understands how to manage people effectively and sensitively,' according to clients. She frequently advises on farming partnership agreements, agricultural tax planning and estate planning, trusts and inheritance matters'.

Chambers UK states that: 'The lawyers know what they are doing; they are client-focused and able to deliver'.

Latimer Hinks offer advice or a range of legal issues including private and commercial law, commercial, residential and agricultural property and renewable energy transactions.

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

In this issue we lead with news of national recognition of Latimer Hinks Commercial and Private Client services. The Legal 500 & Chambers UK have endorsed our services saying that Latimer Hinks is "client-focused and able to deliver".

Inside we look at the increase in will disputes and warn families to make changes to their wills in light of the new Residents Nil Rate Band allowance.

On the back page Martin Williamson explains the difficulties faced on financing a non-conventional home.

The firm also has experts in wills and lasting powers of attorney, trusts, probate, long-term care and tax planning.

Anne Elliott, Chief Executive at Latimer Hinks, said: "The legal directories are a totally impartial and independent validation of the quality of services that Latimer Hinks provides.

'Superb client service is at the heart of everything we do and we are delighted this has been recognised by The Legal 500 and Chambers UK.'





Wills disputes on the increase, say Latimer Hinks

“Blended families” are partly the cause of the steep rise in the number of Wills being contested in court, according to leading Darlington law firm Latimer Hinks.

Latest figures from the Ministry of Justice show a staggering 83% rise in probate disputes in the High Court.

Anne Elliott, Latimer Hinks CEO (right), said: “It’s a startling increase and it’s just the tip of the iceberg, considering the vast majority of cases never reach the High Court.

“But, as family relationships become more complex, it’s perhaps inevitable that more wills are contested. Most of the cases of disputed wills that we deal with as a firm relate to families which have complicated structures.

“It might be that a step parent doesn’t leave anything to their late spouse’s children or it could be that a parent decides they don’t want to include their own child in their will because they haven’t had contact with them for many years.

“Wherever someone feels aggrieved or left out, there is a chance that a will could be contested.”

The recently released statistics show that 178 probate disputes were heard in the High Court in 2014, compared to 97 in 2013, but many cases don’t get that far.

Latimer Hinks has seen a spike in inheritance-related enquiries since the controversial Court of Appeal ruling earlier this year in favour of Heather Iltott, who had been written out of her late mother’s will.

Melita Jackson left her £489,000 fortune to three animal charities rather than her only daughter. But after an 11-year battle, the Court of Appeal, in a landmark decision, awarded Heather a £164,000 share of her mother’s estate.

Anne added: “Although that case did not set any legal precedent, it has raised the

“As family relationships become more complex, it’s perhaps inevitable that more wills are contested”

profile of disputes brought about where a dependent does not believe that reasonable provision has been made in a will.

“Everyone should do their best to try and avoid problems arising after their death. Everyone should draw up a will and, most importantly, keep it under review, making their intentions as clear as possible.

The Iltott case highlights the importance of not just setting out your wishes, but



justifying them – experienced lawyers can help provide you with peace of mind so that after your death the risk of the will being contested is minimised.”

For further information contact our Private Client Team on 01325 341500.

Employment law: 4 key updates

Alongside a new national minimum wage, this October brought a number of changes to employment law of which small businesses need to be aware.

The Government introduces changes to employment law each year, with those announced in 2015 affecting workplaces of every shape and size. Major changes include:

- **Tribunals lose the power to make recommendations benefiting the wider workforce** - Discrimination tribunals can now only make recommendations that apply to an employee’s specific circumstances.
- **Ban on smoking in cars carrying children aged under 18** - The ban also applies to company cars used for private purposes – so employers may need to review their company vehicles’ policies.

- **Sikh safety helmet exemption extended to all workplaces** - Sikhs who wear turbans will no longer have to wear safety helmets in workplaces such as factories and warehouses, rather than just construction sites.

- **Fit for Work service referrals begin** - The Government’s Fit for Work (FFW) service is rolling out across the country. Employees referred to the service may be given a Return to Work Plan, which can be used as evidence of sickness absence in the same way as a GP fit note.

“The Government introduces changes to employment law each year – with those announced in 2015 affecting workplaces of every shape and size”

Wills warning to families

Latimer Hinks Solicitors is warning families that their children and loved ones could lose out if they don't make urgent changes to their will.

Thousands of people set up what are known as discretionary trusts in a bid to stop their loved ones from having to pay extra Inheritance Tax (IHT).

But, unless they now make significant changes to their will, they could miss out on the new residents nil rate band (RNRB) element of the Government's IHT allowance.

Elizabeth Armstrong (*below*) of Latimer Hinks said: "Discretionary Trusts made a lot of sense before Chancellor George Osborne announced changes to IHT, and they do still have their place and a valuable role to play in tax planning. But many families face missing out on valuable allowances if they fail to change their wills. That could mean they pass on large chunks of their estate to the taxman."

Before 2007, the first of a married couple to die was able to leave all of their assets to the survivor without having to pay any IHT. However, when the surviving spouse died, they were only able to use one i.e. their own tax-free allowance against the whole estate, meaning assets passing



to children or loved ones following the second death could face hefty tax bills.

To avoid this situation, many families set up discretionary trusts, where the first spouse's tax free assets were effectively put into trust on the first death.

Since 2007, married couples and civil partners have been able to transfer the tax free allowance of the first to die (the unused nil-rate band) to the surviving spouse's estate to secure two tax-free allowances of up to £650,000 upon the second death.

That £650,000 tax free allowance is set to improve further with the new RNRB, making it possible for married couples dying in 2020/21 tax year to leave a total of £1m by with no IHT due.

But, to qualify for the extra £175,000 RNRB the family home must be directly inherited by direct descendants. Gifts to discretionary trusts do not qualify. Whilst Discretionary trusts are still very useful and effective in many circumstances eg. Second marriages, where there are young children, the RNRB changes have made discretionary trusts less relevant for many.

Elizabeth Armstrong added: "Legislation is changing all the time so we'd urge everyone to review their will to make sure they leave as much as possible of their hard-earned assets to the family and loved ones they want to benefit."

The new warning comes on the back of a parliamentary petition launched by Latimer Hinks urging changes to IHT rules.

To benefit from the new RNRB, your family home must pass down to direct descendants, including children, grandchildren and stepchildren. This means childless individuals and siblings are not eligible for the same tax benefits as those with children.

Elizabeth added: "It's nothing short of discrimination to say that if you are



If you agree, please sign the petition at: <https://petition.parliament.uk/petitions/105736>

childless, you will not get the same financial advantages as those who do have children, even though you have contributed to society as a taxpayer by helping to pay for education, maternity leave and childcare costs.

"We are calling upon George Osborne to change the discriminatory nature of the new RNRB by giving siblings and those who are childless exactly the same allowances as those with direct descendants. We'd urge everyone who agrees to take a moment to sign the petition."

If you agree with the petition "End Inheritance Tax (IHT) Discrimination Against the Childless please take the time to sign the petition. The petition can be found at: <https://petition.parliament.uk/petitions/105736>

For further information contact our Private Client Team on 01325 341500.

Ombudsman dedicated to flight customers will take off in 2016

A new Ombudsman Services scheme could soon force airlines to compensate passengers for cancelled and delayed flights. The service, timetabled for spring 2016, is the outcome of Civil Aviation Authority (CAA) consultation that began in February. At present, European regulators including the CAA handle passenger complaints, but have no power to enforce compensation.

The success of the scheme is likely to depend on industry participation: when it launches, airlines will not be compelled to enroll.

Housing market buoyant as mortgage lending continues to swell

Monthly mortgage approvals reached a 19-month high in August, according to official Bank of England statistics. This continued growth in lending comes after the Land Registry also confirmed house prices in England and Wales are on the up.

Representing a 20% leap from lending levels seen in November 2014, 71,030 loans were approved for house purchases in August – says the Bank of England report. In comparison, the monthly average for the six preceding months stood at 65,600. At the same time, total net mortgage lending reached its highest point since May 2008 – rising

by £3.4 billion in August.

Shortly before these figures were published, the Land Registry revealed that August also saw a 0.5% increase in house prices for England and Wales – bringing the average to £184,682.

It's thought that record low interest rates encouraged high numbers of buyers to apply for loans and seek out property for purchase during the summer. But, following suggestions that rates could be about to climb, many are now moving away from variable deals and 'locking in' to competitively priced, fixed rate arrangements.

Solicitors for families,
businesses, farmers &
landowners

Contacts and services

you & your family

An understanding approach to house buying and selling, long term care and retirement, wills, trusts and probate.

Private Client Team: Anne Elliott, Andrew Way, Elizabeth Armstrong, Natalie Palmer, Helen Thomas, Gillian Ibbotson, Nadine Kilvington, Kelly McLoughlin, Daniel Williams, Jennifer Quayle, Claire Conway, Julie Porter, Abigail Noone, Toni-Ann Galvin, Nikita Noel

Residential Conveyancing Team: Nicola Neilson, Martin Williamson, Jonathan Sturgeon

business & commercial

Advice on commercial property law, employment and contract law, selling a business and succession planning.

Commercial Team: Nick Poole, Anne Elliott

Commercial Property Team: Tim Haggie, Neil Stevenson, Nicola Neilson, Adam Wood

farmers, landowners & landed estates

Knowledgeable legal expertise in land sales and purchases, land option agreements, tenancy agreements, succession planning, diversification schemes and renewable energy developments.

Agricultural Team: Tim Haggie, Anne Elliott, Neil Stevenson, Nicola Neilson

Private Client Team: Anne Elliott, Andrew Way, Elizabeth Armstrong, Natalie Palmer, Helen Thomas, Gillian Ibbotson, Nadine Kilvington, Kelly McLoughlin, Daniel Williams, Jennifer Quayle Claire Conway, Julie Porter, Abigail Noone, Toni-Ann Galvin, Nikita Noel

Contact details for
Latimer Hinks:

Tel: 01325 341500

lh@latimerhinks.co.uk

www.latimerhinks.co.uk



Buying a windmill, a castle or a lighthouse?

Television shows such as Grand Designs and The Restoration Man have led many of us to covet unusual buildings such as windmills, castles and chapels. But financing such a property can be more difficult than getting a mortgage for a conventional home.

Unique properties currently for sale in the region include a former Methodist chapel in Stanley, Crook, which is ripe for conversion, a former Sunday School in Barnard Castle and barns to convert in Sadberge, Stockton.

Meanwhile, a garage converted into a tiny £30,000 studio home within a commutable distance of London has highlighted not just hefty southern price tags, but the growing trend to convert buildings once used for other purposes into homes.

Office-to-home conversions in particular are on the increase following a relaxing of planning rules by the coalition government.

If you have your heart set on something unusual, talk to your solicitor and mortgage advisor as soon as possible so they can



Martin Williamson,
Head of Residential Property.

warn you of any potential problems and pitfalls which you may need to overcome.

While many of the big lenders may be unwilling to agree to providing finance for a home which is out of the ordinary, it could be worth looking at smaller, more flexible lenders.

Any potential lenders will look very carefully at the valuer's report and any issues with re-saleability. If you are looking at a building which has already been converted, they will examine the quality of the conversion.

If you plan to convert the building yourself, you will not be able to get a mortgage in the same way as you would a conventional home.

If the property you want to buy is run down but still habitable, most lenders will be prepared to offer you a percentage of its value, but could withhold some funds, pending the completion of any essential repairs. You will have to fund these yourself through your savings or salary before the monies are released.

For properties which aren't habitable, then you'll find the range of lenders willing to help will be more limited. You will probably discover that, even though you aren't starting from the foundations up, you will still have to look at special self-build mortgages.

It's easy to get carried away with the romance of giving a historic building a new lease of life, but make sure that you aren't saddling yourself with large ongoing maintenance costs which would ruin your enjoyment of living there once your conversion is finished.

Pick the right location and the right building, however, and you could achieve what you set out to do: to create a home like no other.

For further information: visit
www.latimerhinks.co.uk or call
01325 341500.