

Is flexibility the key to your future?

by **Jaclyn E P Russell**,
partner and head of private client, Stronachs LLP



STARTING the year in lockdown presents us all with another opportunity to try and get round to some of those tasks that usually slip further down the to-do list. But, taking time to sit down and really think about what we want to happen after our deaths and who we want our assets to pass to is not something that naturally rises to the top of that list.

Making a will can seem like a demanding and possibly daunting task, especially if the assets in an estate are constantly changing or family circumstances are uncertain. Instead of putting things off, why not explore whether a more flexible structure of will may open up future planning opportunities for you and your family?

Where there's a will ... there's often more than just one way

When we think of a will, we usually think of a document which contains very specific instructions setting out who is to receive what, after we die. However, I often see situations where this type of will simply does not work for the family circumstances.

Business owning clients might find themselves in a situation where one child is involved in the family business and the others are not, but there is a desire to try and equalise all of the children.

With the nature of the business ever changing, it can be impossible to outline at the time of making the will, exactly how that end result might be achieved. Particularly without affecting the future of the business. Alternatively, parents may wish to pass on a family business to one of their children, but at the time of making their wills, the children may be young and it is too early to understand which of them might be interested.

Put your trust ... in a trust?

A flexible, or discretionary will can often be the answer. This type of will allows the entire estate to fall into a trust upon a death. Trusted family members, friends or professionals can be appointed as trustees to manage the trust. Your trustees ultimately decide which of your beneficiaries receive the estate, based on a detailed letter which you prepare and keep updated. This allows them to react to

family circumstances, changes in tax rules and fluctuations in asset values.

The trustees are able to deal with your estate in line with your wishes whilst having the flexibility to reorganise the distribution of your estate in a more tax efficient way, or in a manner which ensures the future operation of a business.

Discretionary wills can also be helpful where there is a family member who might be in receipt of means tested benefits. The structure allows assets or cash to be paid out as and when it is possible. This avoids a situation where someone receives a large lump sum payment which might push their income over the level at which benefits would be paid.

Don't put off something that could be done today. A well-structured will really can be the key to the future for you and your family.

Stronachs