

# Wills and estate planning

Practical advice about making and updating your will



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

**We're Age UK and our goal is to enable older people 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.

**Our network includes Age Cymru, Age NI, Age Scotland, Age International and more than 150 local partners.**

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# What this guide is about

Making a will is vital if you want to be certain that your wishes are met after you die. It can be easy to put it off, but the process can be quite simple. This guide highlights the benefits of making a will, the issues you should think about, and the areas in which you need to seek professional advice. It contains general advice only and shouldn't be used as a substitute for professional advice.

It's important to review and update your will every five years to make sure it always reflects what you want to happen to the assets that make up your estate. Your estate is everything you own, including money, property, possessions and investments.

This guide is applicable across England and Wales. In Scotland, contact Age Scotland for their free factsheet *Making your will*. In Northern Ireland, contact Age NI for their version of this guide. See page 18 for contact details.

## Key

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This symbol indicates where information differs for Wales.



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

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# Why is it important to make a will?

Although it can be difficult to talk about death, making it clear how you would like your estate to be distributed can save everyone a lot of worry.

- **Looking after your loved ones:** Deciding who you want to leave your property, money and possessions to should ensure that everything goes to the people and causes you care about. This is especially important if you have family members who depend on you financially.
- **Protecting your assets for future generations:** A well-structured will can ensure that assets are kept within the family and are passed on through the generations.
- **Reassurance:** Making a will is the only way to make sure your estate goes to the people and causes you intend.
- **Avoiding disputes:** Badly drafted wills can cause arguments among family members which may need to be resolved by a solicitor. Leaving a properly prepared will should remove any doubt about who you want to benefit from your estate, and avoid further stress for family and friends at an already difficult time.
- **Your funeral:** In your will you can state whether you would prefer to be buried or cremated, and the type of funeral service and music you would like. See our free factsheet *Planning for your funeral* for more information about funeral options.

# How to make a will

There are a number of ways that you can make a will.

## Lawyers

It's usually best to get advice from a lawyer (for example, a solicitor or chartered legal executive). You may wish to speak to a lawyer who specialises in wills and probate. Your lawyer can also advise you on inheritance tax issues that may arise.

If you decide to use a lawyer, first check they are licensed with the relevant professional body, such as the Solicitors Regulation Authority (see page 20). Professionals often charge a fixed fee for this work rather than their hourly rate. Their fees should be explained in their letter of engagement.

Your lawyer may be able to store your will safely for you, but they may charge for this. You must let your executors know where it's kept. Executors deal with your estate after your death (see page 8). You can also request copies of your will to keep yourself and give to your executor(s).

## Professional will writers

Professional will writers aren't qualified solicitors and may not be regulated. If you decide to use one, first check whether they are a member of the Institute of Professional Willwriters (see page 19). Find out more about professional will writers in our free factsheet *Making a will*.

## Charities

Some charities offer free will-drafting services to encourage will making and charitable legacies (although there's no obligation). If there's a particular charity that you favour, check whether it provides this service.

Free Wills Month is an annual campaign in England and Wales that takes place every March and October. A group of charities offer people over 55 the opportunity to have a simple will written or updated free of charge by one of the participating solicitors. Visit their website to find out more (see page 19).

Will Aid is a similar UK-wide scheme run every November. There's no age restriction but you will be asked to make a donation, which goes to a number of charities, including Age UK. Visit their website to find out more (see page 20).

### **Banks**

Some banks 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. Some banks charge high fees for this service.

### **Make your own will**

You can buy do-it-yourself will kits and forms from stationery shops and online, but it's easy to make mistakes, miss out important details or not be absolutely clear what you want when filling them in. 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, make sure it is valid so your wishes are carried out exactly as you specify them.

**what  
next?**

See our free factsheet *Getting legal advice* for more information. The Law Society (see page 19) can provide you with a list of local solicitors in England and Wales.

# Valuing your estate

When arranging to have your will written, it's worth drawing up a list of your assets and debts. This gives you a clear idea of what your estate is worth at that time, which helps you to write your will.

## **Assets that typically make up an estate include:**

- your home, and any other property 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 other household contents

## **Debts may include:**

- a mortgage
- a credit card balance
- a bank overdraft
- loans
- equity release

Get your assets valued regularly. Your house price or pension fund, for instance, may have dramatically changed in value since you last checked.

**what  
next?**

See our factsheet *Dealing with an estate* for more information.

# 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 should include:

- who you want to benefit from your will
- whether you wish to give any specific gifts to particular people
- where the residue of the estate is to go (any property or money left over after paying funeral and administrative expenses, legacies and taxes)
- what you want to happen if any of your beneficiaries should die before you
- whether you wish to leave any money to charity
- who will deal with your estate after your death

Review your will at least every five years and after any major change in your life, such as marriage, divorce, a new grandchild or moving house.

## Signing the will

You must sign your will in the presence of two independent witnesses, who must 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 is not valid.

Beneficiaries of the will, their spouses or civil partners should not act as witnesses, or they lose their right to the inheritance. Beneficiaries should not even be present in the room when the will is signed. It's also best not to ask an executor to act as a witness.

# Choosing executors

Executors are the people who deal with your estate after your death. Being an executor can involve a lot of work and responsibility, so consider the people you appoint carefully.

Explain to them what's involved and check they're willing to act on your behalf. You could give them a copy of our free guide *How to be an executor* so they can read more about the role.

You can appoint a maximum of four executors who can 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 they can share the responsibility, and in case any of them die before you do. The people you choose to act as your executors can inherit something from your will, but they aren't usually paid for their work as executors.

## **Does an executor have to be a family member or friend?**

Acting as an executor isn't 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. This could be especially useful if your estate is large or complicated, or if there's likely to be a family dispute. Professional executors charge for their services and their fee will be paid for out of your estate.

- In England and Wales, you can find a solicitor who specialises in acting as an executor by calling the Law Society, or searching their website (see page 19). The Law Society can also help you to find solicitors who provide information in different languages. They won't recommend a solicitor, so you'll need to compare services and fees.

- Solicitors for the Elderly can help you find a solicitor in your area. Use the tool on their website to search for solicitors by name, location or specialism, or call the office for assistance (see page 20).
- 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 20).

## **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 or executors. Take professional advice when creating a trust.

**what  
next?**

See our free guide *How to be an executor* for more information.

# What happens if I don't make a will?

If you don't make a will, in legal terms you die 'intestate' and your estate may not go to the beneficiaries you intended. In this case, 'intestacy rules' determine how your estate is to be distributed. Your assets are only distributed after all your debts, funeral and administration expenses, and any taxes have been paid.

Under the intestacy rules:

- If you have a spouse or civil partner and children, your spouse or civil partner inherit all your personal possessions and the first £250,000 of your estate, plus half the rest. Your children are then 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 inherit your whole estate, including your personal possessions.
- If you and your partner aren't married or in a civil partnership and you haven't made 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.
- If you have no spouse, civil partner or children, other relatives such as siblings or nieces and nephews may have a right to inherit. If you have no surviving relatives who can inherit under the rules of intestacy, the estate is passed to the Crown.

**what  
next?**

See our free factsheets *Making a will and Dealing with an estate* for more information or contact the Probate and Inheritance Tax helpline (see page 20).

# Leaving a legacy

Your will is a way to remember those who are important to you. After you have provided for family and friends, you may decide to leave legacies to chosen 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, item of jewellery, 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 you might choose to leave them a gift in your will.

## Letter of wishes

A letter of wishes is a confidential document that can accompany a will. It lists specific items you wish to give to people, and usually covers items of sentimental importance, such as ornaments, furniture, or jewellery. Though if these are worth a substantial amount of money, it's advised to keep them in your will.

Unlike a will, a letter of wishes is not legally binding, so pick a trusted person to carry out your requests. This letter can be amended without altering your will.

## Angela decided to set up her will when she found out how straightforward it can be.

**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 told me that without a will, my savings and possessions would be distributed 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.'

**'I feel so much better** knowing that the people and causes **I care about** will benefit.'



# Inheritance tax

Inheritance Tax (IHT) is paid on the value of an estate worth more than a certain amount after your tax free allowance has been taken into account. Your estate includes, but is not limited to, your savings, possessions, pension funds, property, and shares of jointly owned assets.

The current tax-free allowance is £325,000. This is also referred to as the nil rate band. IHT is paid at a rate of 40% on the proportion of your estate valued above the nil rate band.

If you leave your property to your child or your grandchild, you may gain an additional tax-free allowance of £100,000. This is called the residence nil rate band and is a complicated area, so you should seek specialist advice.

If you leave your whole estate to your spouse or civil partner, then no IHT is payable. If a spouse or civil partner dies and their estate doesn't use all of their available tax-free allowance, any unused allowance can be transferred to the estate of the survivor.

Gifts to charity are exempt from IHT. If your estate is liable for IHT and you leave 10% or more of it to charity, then a reduced IHT rate of 36% may be applicable to your estate. Rules apply to the reduced rate of IHT, so seek professional advice.

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

Sometimes it can be helpful to use trusts in connection with IHT. There are different types of trust, which have various effects on your IHT bill. Find out more about trusts at gov.uk and seek professional advice.

### what next?

IHT is a complicated area, so it's worth seeking specialist advice. Contact the Probate and Inheritance Tax Helpline for more information (see page 20). For more information about IHT, see our free factsheet *Dealing with an estate*.

**Be aware that gifts made while you are alive could be liable to Inheritance Tax.**

# 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 a new grandchild or moving house. If you don't keep your will under review, it may lead to complications with the administration of your estate. For example, your will may refer to a house you no longer own, or mention older grandchildren but not younger ones.

If you marry, remarry or enter a civil partnership, this revokes (cancels) a previously existing will. Divorce doesn't automatically invalidate a will made during the marriage, but does exclude your ex-spouse or civil partner from benefitting if they are mentioned in the will. Arrange a new will if you marry, separate or divorce.

If you want to change a will, you can either revoke the old will and make a new one or add a supplement to the will, which makes amendments, known as a codicil. You must sign your new or amended will in the presence of two independent witnesses, who must also sign it in your presence. Once an old 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.

**Review your will** at  
least every five years to  
**avoid complications.**

# Important documents relating to your will

It may help your executors to know where you keep important documents such as:

- the original copy of the will
- the deeds to your property
- insurance policies
- documents relating to savings accounts and any investments
- 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 where you keep important documents. Call 0800 022 3168 for more information and to order your free copy.

# 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](http://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:** 08000 223 444

[www.agecymru.org.uk](http://www.agecymru.org.uk)

In Northern Ireland, contact

**Age NI:** 0808 808 7575

[www.ageni.org](http://www.ageni.org)

In Scotland, contact

**Age Scotland:** 0800 12 44 222

[www.agescotland.org.uk](http://www.agescotland.org.uk)

The evidence sources used to create this guide are available on request. Contact [resources@ageuk.org.uk](mailto:resources@ageuk.org.uk)

### **Citizens Advice**

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

In Wales there's a national advice service on 03444 77 20 20. It's available in parts of England on 03444 111 444.

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

### **Free Wills Month**

Several charities join together to offer those aged 55 and over the opportunity to have their wills written or updated free of charge by selected solicitors in locations around England and Wales.

[freewillsmoonth.org.uk](http://freewillsmoonth.org.uk)

### **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](http://www.gov.uk)

### **Institute of Professional Willwriters**

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

Tel: 0345 257 2570

[www.ipw.org.uk](http://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](http://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

### **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](http://www.gov.uk/public-trustee-executor-will)

### **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.sfe.legal](http://www.sfe.legal)

### **Solicitors Regulation Authority**

The independent regulatory body of the Law Society of England and Wales.

Tel: 0370 606 2555

[www.sra.org.uk](http://www.sra.org.uk)

### **Will Aid**

Partnership between legal profession and nine UK charities to help people have their wills written professionally.

Tel: 0300 0309 558

[www.willaid.org.uk](http://www.willaid.org.uk)



Make sure your will **makes your intentions clear** and is signed properly.

# 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.**

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.

A gift in your will to Age UK could help to fund the vital services we provide to ensure older people receive the help and support they need. Your gift could help to:

- bring companionship to lonely 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 in need of support on our Advice Line
- fund vital research projects that help shape services for older people
- campaign for older people's rights to equal and fair treatment

These are just a few examples of how gifts in wills enable us to help older people when they need us most, helping them to continue to live with dignity and respect. To find out more about our work, visit [www.ageuk.org.uk](http://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 discuss any questions you may have.

Please contact the Legacy Team

on **020 3033 1421**

email **[legacies@ageuk.org.uk](mailto:legacies@ageuk.org.uk)**

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

They can also provide you information if you are interested in leaving your gift to benefit older people overseas (through Age International) or locally (directly through our national partners Age Cymru, Age NI and Age Scotland, or a local Age UK).

Please note that Age UK cannot give any specific legal advice on your personal circumstances and you should refer to your solicitor for this.



# 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, simply complete the enclosed donation form, call us on **0800 169 8787** or visit **[www.ageuk.org.uk/get-involved](http://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](http://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](mailto: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](http://www.ageuk.org.uk/moneymatters)

Our publications are also available in large print and audio formats.



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**.

