

Expert advice

Legal, financial and family matters

Just in case



More and more couples are opting to enter a pre-nuptial agreement – which records how assets should be divided in the event of a divorce – ahead of tying the knot. However, there's still a lot of confusion around what exactly these agreements entail.

Couples have claims to the income, capital and pensions of each other if they go through a divorce. This means that all finances are up for discussion and all claims are possible.

Some couples wish to set out what should happen to their finances if they were to divorce, perhaps to try and protect particular assets, or to make the divorce process smoother should the worst happen.

Those thinking about entering into a pre-nuptial agreement should exchange full financial information with their spouse-to-be before entering an agreement.

Also, an agreement should be entered into as soon as possible, as those signed close to the wedding day can raise questions as to whether one spouse was forced into it against their will. What's more, delaying allows less time to exchange information.

Pre-nuptial agreements are not currently legally binding in England and Wales, though higher courts have indicated that they will usually be persuasive and considered during a divorce, unless there has been a material change in circumstances or it would be manifestly unfair to do so. With that in mind, a pre-nuptial agreement should be reviewed periodically, especially if there is a change in circumstances.

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Forward thinking

Lifetime Individual Savings Accounts were launched in April 2017 to help 18 to 40-year-olds save for the long term. The idea behind them is to stop people having to choose between saving for their first home and saving for retirement. Instead, they can use some or all of the money to buy their first home, or keep it until they're 60.

Individuals can save up to £4,000 in a Lifetime ISA each year, and receive a government bonus of 25 percent – up to an additional £1,000 a year. Any savings put in before a person's 50th birthday will get this bonus.

Additionally, there is no maximum monthly contribution, so a person can save as little or much as they want a month, up to the £4,000 yearly limit. Bear in mind, whatever money is saved per year in one of these accounts will count towards a person's annual individual ISA limit of £20,000.

Those trying to get on the property ladder can use the savings and bonus from a Lifetime ISA towards a deposit on their first home (worth up to £450,000), any time from 12 months after opening the account. Those saving for retirement can take out all the savings tax-efficiently after their 60th birthday. If the money is withdrawn before then, the bonus – and any interest or growth on it – will be lost, plus there'll be a five percent charge. *The above has been provided by Hartey Wealth Management Limited, Oswestry SY11 2NR. Tel: 0808 168 5866. www.harteywm.co.uk. Registered in England and Wales No: 8288660. Registered Office: Hilliards Court, Chester Business Park, Chester CH4 9QP. Hartey Wealth Management Ltd is authorised and regulated by the Financial Conduct Authority.*

Box clever

Following a spate of stories in the media about parents of young drivers falsely claiming to have a black box installed in their car in order to discourage reckless driving, Insure The Box is urging people to think twice about telling such white lies.

"Telematics boxes are proven to effectively increase driver safety," explains Simon Rewell, road safety manager at the London-based insurance provider.

"However, it's important that parents realise the extended benefits of this technology, such as reduced speeding and lower accident rates, are only realised with the installation of an actual black box."

Insure The Box further warns parents against relying on the placebo effect of

telling their children a box has been installed, as they won't have access to data – such as braking habits – which actual telematics equipment will record. Without the data, novice drivers won't be able to see what they can do to improve their driving, and this in turn may result in the cost of their insurance not going down as much as expected when it comes time for renewal.

Another important benefit of the boxes is that they can detect significant G-force impacts. These events are then communicated to the provider, who can then make a decision on whether to contact the driver to check if they need assistance, or even contact the emergency services on their behalf. www.insurethebox.com

