

Expert financial advice for divorce lawyers and couples splitting up

RECENT figures published by the Office for National Statistics show marriage rates at an all-time low.

And, as a consequence of fewer marriages, the number of couples seeking to divorce continues to fall and is now at its lowest level for 22 years.

However, despite the falling numbers, there are still around 145,000 divorces each year in the UK. An increasing number of divorcing couples are looking to avoid lengthy and acrimonious court battles by adopting a "collaborative law" approach.

This route requires lawyers and third-party advisers to abandon traditional proceedings in favour of a more constructive method, working together to resolve the family and financial issues which usually arise when a couple separate.

In most collaborative law cases, the biggest concern on both sides is to secure financial interests.

Major decisions on how to divide financial assets will need to be made. This may involve an interlinked combination of mortgages, house sale/purchase, pensions, insurance, inheritance tax plus business interest. It can be a complex and sensitive area, usually requiring impartial guidance from someone qualified and experienced to provide independent financial advice.

Having recently achieved the Resolution Accreditation, Belinda Ray, senior paraplanner at HFS Milbourne Financial Services, is perfectly

placed, along with other senior advisers at HFS Milbourne, to provide this expert financial advice to lawyers and their clients.

Ray is one of only three independent financial advisers (IFAs) in the Guildford area to be listed on the Resolution 'divorce register' as being suitably qualified and experienced to provide specialist and complex advice to divorcing couples.

Working with HFS Milbourne, Graham Coy, partner and head of the family department at Munday's LLP, said: "Completion of the Resolution training programme, and the follow-up examinations, are the IFA equivalent of the training lawyers go through when choosing to specialise in collaborative family law.

"Enhancing the financial expertise with further training in the collaborative law process means IFAs are better equipped to support lawyers and their clients in resolving the financial issues which arise out of divorce.

"If a financial adviser, who is inexperienced in divorce cases, gives inappropriate advice that could lead to significant problems later on.

"Lawyers that choose to use the services of an IFA can rest assured that if they are a Resolution accredited practitioner, they are steering their clients towards advice that meets a pre-determined standard."

Collaborative law is a relatively new way to resolve divorce and family disputes

using a solution-oriented focus.

Agreeing the financial side can be a major "flashpoint" during the divorce process and can often be more complex than the divorce itself. The starting point is always a full and honest disclosure of each person's personal assets, to ensure that everything is included in the 'pot' to be shared.

With 19 years experience in the financial sector, including a period as pension consultant with HSBC, Ray has the G60 pensions qualification and offers a wealth of experience in advising on the technical areas of pension consolidation.

She said: "When it comes to assessing the client's assets one of the most complex areas is pensions, especially as the law has changed to allow a pension fund to be shared on divorce.

"Pension sharing will not be appropriate in all cases and, where it is an option, the fund will not always be divided equally. Most pensions don't allow an internal transfer scheme so it is important to look at ways of consolidating the various pensions and ensuring a fair split between both parties. This is a complex technical area and it is highly likely that specialist financial advice will be needed on how sharing can be achieved in each individual set of circumstances."

Each case is very different so there are no general rules when it comes to offering independent financial advice to those going through a divorce.

Surrey is an extremely afflu-

ent area and the financial assets involved in some divorces can be considerable. An increasing number of older couples are now seeking divorce. This means that the divorcing couple has often accrued significant wealth which needs to be divided to read fair and legally binding way.

The consequence of providing inappropriate financial advice to a high net worth individual can be dire. Every individual has a different requirement and the lawyer needs to work closely with a qualified IFA to ensure that the client obtains sound financial advice. HFS Milbourne have a total of five advisers capable of advising on all matters relating to pensions and divorce.

Ray added: "Offering investment advice is also a key part of our role in these situations. Women who are given a lump sum payment, for example, need impartial advice about where to invest to ensure they have sufficient funds to support their lifestyle in the years to come."

In addition to personal wealth management, HFS Milbourne Financial Services offers independent advice on a wide range of services including employee benefits, pensions, corporate financial planning and mortgages. The company is accredited by Investors in People and Authorised and Regulated by the Financial Services Authority (FSA). HFS Milbourne can be contacted on 01483 468888 or, for further information, visit www.hfsmilbourne.co.uk