

# Wills' time-bomb must be defused – says NCC

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**Urgent action is needed to defuse a looming 'wills' time-bomb – warns the National Consumer Council (NCC) today. New research reveals more than 27 million people in England and Wales do not have a will and those who need one the most are the least likely to have one.**

Unmarried couples are most at risk of losing property, personal possessions and cash if their partner dies without leaving a will, as current inheritance laws do little to protect new family structures. Four out of five parents who have not yet made a will are gambling with their children's future. Should both parents die unexpectedly, the courts may be left to decide who should look after their children.

Finding the will: a report on will-writing behaviour in England and Wales exposes how apathy is the primary cause of inaction. Most people say they simply haven't got around to making a will, have never thought about it or don't want to think about dying.

NCC is calling on government and industry to find new ways to encourage more people to plan for the inevitable.

Steve Brooker from the NCC explains, 'Dying without leaving a will can leave all sorts of headaches for those left behind. It can create family feuds and leave relatives short of their inheritance.'

'One million people have already fallen through the safety net provided by the inheritance laws, or know someone who has. With family structures changing, government and business must act now before millions more suffer.'

The survey of more than 2,500 people in England and Wales highlights how:

- More than four in five cohabiting couples have not made a will (83 per cent);
- Almost four in five households with dependent children have not made a will (79 per cent);
- Only 27 per cent of people on low-incomes have a will - compared to 70 per cent of higher earners;
- Only 12 per cent of people from Black and Minority Ethnic groups have a will compared to 39 per cent of the rest of the population.

NCC recommends that the Ministry of Justice targets and encourages these vulnerable groups to make a will - using a social marketing approach. It is also

calling on the Ministry to review whether current inheritance laws remain fit for purpose.

The report highlights the need for industry to take advantage of the £250 million untapped will-writing market, by finding new and innovative ways of encouraging people to think ahead.

Wills explained: tips for consumers

Why make a will?

Problems when dying without a will

- You take control over how your estate is to be distributed when you die. If you die without a will, the law dictates who the estate goes to, which might not be consistent with your personal wishes.
- If there are people who depend on you, such as children, you can decide who will take responsibility for them should you die.
- You can express your wishes about funeral arrangements
- You can choose who will sort out your affairs when you die. Sorting out an estate is an important responsibility but it can also be a stressful experience - it's important to choose someone who is willing and up to the task.
- If there is no will, it may take longer and cost more to sort things out.
- You can reduce your Inheritance Tax liability.

- Cohabitants have no automatic right to inheritance unless the partnership has been registered under the Civil Partnership Act, although it might be possible for them to claim a share of the estate.
- If a marriage has broken down, but a divorce has not been finalised, the surviving spouse might inherit the whole or part of the estate.
- If the family home is worth more than £125,000, it might have to be sold in order to pay out surviving relatives.
- The courts may appoint guardians of children under the age of 18, if they are not identified in a will.
- Trusts might have to be set up; while these may provide important safeguards, the terms may be restrictive and the legal costs of setting them up could be expensive.
- When the transfer of property exceeds £300,000 in value, the amount over this sum may attract inheritance tax of 40 per cent; wills can be used to pass on an estate tax-efficiently.