Modern Families

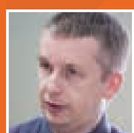
No two families are the same, each have their own unique financial needs

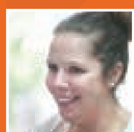
We're here to guide you every step of the way

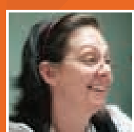
Who's who at Rouse?

Meet the team at Rouse

Contacting our Account Managers in the first instance will quicken the response time for your enquiry. You can be assured that the appropriate action will be taken immediately and your issue speedily resolved.


Paul McDine


Jenni Butler


Sharon Hayles

Account Managers

Paul McDine:
PA to Ben Rouse

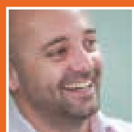
Paul's detailed knowledge of the administration of client business means he is able to resolve any issues speedily.

Jenni Butler:
PA to Ben Silk

Sharon Hayles:
PA to Andy White

As experienced Account Managers, Jenni and Sharon can assist with most queries relating to the running of your account.

Ben Rouse


Ben Silk

Andy White

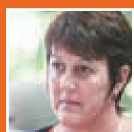
Financial Planners

Ben Rouse:
Managing Director

Ben Silk:
Director

Andy White:
Director

Our Financial Planners work to ensure you receive the best possible advice. Should your designated Financial Planner be unavailable, another will be happy to help.


Lisa Butler

Accounts and Office Manager

Lisa Butler: Director

Lisa is responsible for our accounts, systems and compliance. She is on guard to protect your interests.

Linda Boynton

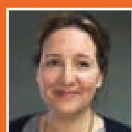
Matt Jones

Financial Planners and Paraplanners

Linda Boynton and Matt Jones

Linda and Matt hold the Certified Financial Planner qualification and as such are able to give advice. Linda works predominantly with Ben Rouse, and Matt with Ben Silk and Andy White.

Jon Silk


Vicky Curtis

Paraplanners

Jon Silk and Vicky Curtis

Jon and Vicky work alongside Linda and Matt. They help with product and advice research and report writing.

Liam Webb

Financial Analyst

Liam Webb

Liam builds our cash flow models and researches the data to support this process.

Phil Moore

Property Finance Adviser

Phil Moore

Phil is our mortgage and protection adviser. He holds the Financial Planning Certificate, Mortgage Advice qualification, and Certificate in Equity release. Call him with all your mortgage market and protection queries.

For further details, contact us on: **01983 535740**
Email: **admin@rouseltd.co.uk** Visit: **www.rouseltd.co.uk**

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Welcome to Rouse

Society is changing and this is reflected in the myriad household dynamics we now see.

From singletons, civil partnerships, traditional marriages and divorces, to co-habitees, and extended families: there is no such thing as a typical situation and it's important that this is reflected in how you approach your financial arrangements.

In this issue we take a look at these modern families and identify what the impact of such arrangements might be in terms of financial and tax planning. We are also privileged to be able to include input on this from legacy and tax expert, Claudia Roberts of Glanvilles, solicitors.

You are unique and the team at Rouse is committed to ensuring the financial guidance we give is appropriate for you. And whatever your personal situation, we thank you for choosing Rouse for your wealth management.

Flying Solo - singles

It's possible to be single at any age and in many ways. Each situation demands a different approach to financial and tax planning. Whether you're just starting out on your adult life, co-habiting, separated, divorced or bereaved we cover all the areas you need to consider in this section.

Til death do us part - marriage and civil partnerships

Two's definitely company when it comes to financial benefits and tax breaks. But you need to get your house in order to make it work. We show you what tax, legacy and protection issues you need to consider when you tie the knot.

Golden years - retirement

'Don't let me hear you say life's taking you nowhere.'* Because planning will put you back in control. We highlight what you should be thinking about to help make sure your retirement years really are golden. Wills, pension savings and helping your grandchildren now – whatever life-stage you're at we'll help you make the right choices for the retirement you want.

*David Bowie, Golden Years

The 'D' word - Divorce and extended families

Quite often it's not just about the two people whose relationship has ended. As your family fragments and possibly expands to take on a new partner and someone else's children, the key issue here - along with those of tax efficiency and protection for your income and assets - is one of legacy. We look at how you could take at least some of the pain out of divorce.

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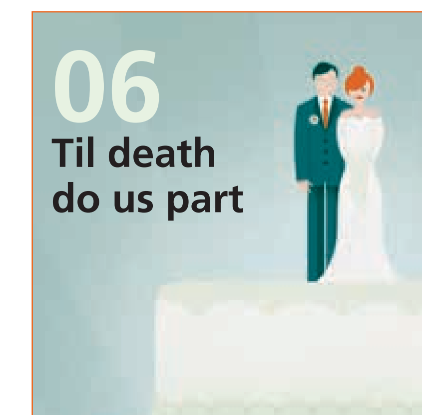
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Flying solo

There are many ways in which you can be single: young and single with no dependants – these days it's not unusual for working-age adults to be living at home with parents; single but in a stable, long-term relationship; single after a divorce or bereavement. Each of these situations needs a different approach to financial and tax planning.

If you would like to know more about any of these points, please contact us on 01983 535740.

Absolute beginners

If you are unattached, young and single this is the time to have fun but also to recognise it won't last forever. You have only your salary to live on – even if you are still at home with mum and dad (and they're asking for only a small contribution to household expenses) – so this is the time to get yourself organised. You won't want to stay at home forever.

If you're on your own and paying out for rent or a mortgage, it's even more important to look after number one.

You need protection

It makes sense to protect your income. There is a variety of insurance options and it's always best to take advice to help you make the choice that's appropriate for you - you don't want to use all your fun-time disposable income on paying for unnecessary insurance.

You could consider these:

- **Income protection**. This pays out if you're unable to work owing to illness or injury (it's not the same as PPI). Payments are tax free.
- **Critical illness cover**. Pays out a tax-free lump sum if you're diagnosed with one of the serious illnesses covered by your policy and is designed to pay off your debts, fund medical treatment or allow a change of lifestyle. There is no restriction on how you use it and it pays out once then the policy ends.

You need a Will: you're not immortal

Much as though you might want to believe it, particularly when you're young, you won't live forever. And even without dependants you should consider drawing up a Will. It's not just about who might get your music collection. We are usually far wealthier on death (due to life policy payouts, critical illness cover or other lump sum death benefits) and it is important that this is passed on appropriately to avoid extra heartache for your relatives.

Powers of Attorney

A Lasting Power of Attorney (for Finance) is a vehicle for arranging for a trusted individual to act on your behalf should you be unable to do so. This can happen as a result of an accident and if you have no Power of Attorney the consequences can be catastrophic for your loved ones. No one can access your monies or your assets and a lengthy and costly court application would be required to appoint someone (not of your choosing) to run your affairs from then on in. You can also consider a Lasting Power of Attorney for Health and Welfare. This allows those chosen by you to make sure you get the best possible care. It can also act as a Living Will and allow those appointed to decide whether life-sustaining treatment should or should not be continued.

You need a pension plan

If you're in work you will be automatically enrolled into your company's pension scheme, following new rules that came into force in 2012. You have the right to opt out but this is a good place to start your pension fund, particularly if you have no other form of long-term savings. If you are able to though, it's a good idea to start your own pension fund as well. And the earlier you start the greater the gains, owing to compound interest: the way investment returns also generate future gains. Add to that the tax relief on your contributions, then you start to see how quickly your investment can grow.

There is a variety of pension-savings options available and again it's wise to take advice on which type and which provider to choose as it will depend on your own set of circumstances.

One of the most straightforward options, however, is the stakeholder pension. It's open to any UK resident under 75 years and is a simple pension option with capped charges and flexibility in the amount and frequency of contributions – and no penalties, even if you decide to switch providers. The minimum contribution is just £20 and anyone can contribute.

Single but with a significant other: the common law myth

If you are single in the eyes of the law and the taxman but are co-habiting, you are still single in the eyes of the law and the taxman. This relationship status has no legal recognition, no matter how long you have been together, or whether you also have children.

This makes it even more important to organise life protection, a Will and a pension. You have dependants and if something happens to you, without proper financial, legal and tax planning - particularly if you are the main breadwinner - your family will not benefit from any of your assets.

Single and divorced or bereaved – with or without dependants

If you are in this position, many of the issues raised so far will apply.

- **You're back to a single income**
- **You need to protect that income**
- **You need to revise your Will.**

"Whilst marriage, or civil partnership, revokes an existing Will, divorce does not. So it's a good idea to consider revising your Will at the same time as settling the divorce – particularly if you have dependants: you need to ensure your assets end up with the people for whom they're intended."

Claudia Roberts - Glanvilles, solicitors.

Phil's view

The main issue facing an individual looking to get a mortgage is that of affordability. There's only one salary, so less disposable income after essential expenditure, which makes lenders more cautious.

It's particularly tricky if you're also a first-time buyer: many are currently finding it pretty hard going to save enough for a deposit, but government schemes such as Help to Buy can alleviate some of this pressure. You might also be lucky enough to get input from family to help you with the deposit, as a guarantor or other family-specific types of mortgage product.

Remember that since the Mortgage Market Review, lenders will be going through your monthly income and expenditure with a fine-tooth comb. If you have a student loan and you are earning enough to be paying some of it back this will be taken into consideration as an existing debt commitment each month.

As far as protection goes, if you're single with no dependants, it's still important to look at protecting your income as your home could be at risk if, through no fault of your own, you are unable to meet the monthly payments, and we recommend that you consider income protection insurance cover. Life insurance isn't such a priority but it can be no more expensive to get combined life and critical illness cover, so effectively you get free life cover.

'Til Death do us part

Some people shy like startled horses at the mention of relationship commitment. But a formal union can mean financial benefits and tax breaks. We take a closer look at how it can pay to say 'I do', along with the legacy issues you need to consider if you're in a marriage or civil partnership.

What's mine is yours

Income tax

Although we're all taxed as individuals, being married gives you a bit of wriggle room when arranging your finances to reduce the overall bill.

The income tax paid on savings, investments or rental properties can be reduced if one spouse pays a lower rate of tax, or is a non-earner. Assets can be switched so that they are owned by the lower-earning spouse and, provided interest earned doesn't exceed the personal allowance, tax can't be charged on the interest. It's worth remembering too that a key risk associated with giving away assets to a partner if you're not married to them is that if you subsequently split, they can walk away with those assets. If you were married, however, all assets owned by both partners would form part of any divorce settlement.

The marriage tax allowance, effective from April 2015, offers similar flexibility. Using the same principle of one spouse being a basic-rate tax payer and the other a non-earner, with this allowance the basic rate tax payer can share up to 10% of the non-earner's personal allowance. This is open to anyone who is married or in a civil partnership.

Protection

Protecting your income is just as important when you're married as when you're single. This is particularly true if you also have children. Considering what would happen if you were to fall ill or die, have an accident or lose your job: what income can you rely on to cover your living costs? How can you secure the future of your dependants should the worst happen?

There is a variety of products available in terms of life protection, critical illness cover, and income protection cover that can be applied to different personal circumstances – and you can include mortgage protection within the cover - but it's always a good idea to get qualified advice: having no cover is one thing but you don't want to end up with too much or the wrong type.

Legacy

Whilst being married gives you a greater chance of receiving your spouse's share of any assets, if there is no Will it will make the process much more complicated and time-consuming. Making a Will should be a priority, particularly if you have children. Each partner must sign a separate Will and in most cases this means signing a Mirror Will ie Wills in identical terms. In its basic form this means the typical scenario of leaving everything to your spouse but if they die before you, everything goes to the children. However, Mirror Wills aren't mutually binding so on the death of a spouse the survivor may change their Will at any time – this is often the case when the survivor marries again.

There's also the option of a Mutual Will, which can be written in identical terms and are intended to be binding on both parties. Mutual Wills usually contain a statement to the effect that they intend to be irrevocable after the death of one spouse; up until that point either partner can change the Will as often as they like. Once a spouse dies the law imposes a floating trust that binds the survivor to the terms and protects the original beneficiaries, even if the survivor draws up a new Will (which they are allowed to do). The trust will prevent any gifts being given via the new Will that might deprive the original beneficiaries. However, the survivor isn't bound during their lifetime and accordingly could spend the lot.

You might consider this option if you are worried your spouse will remarry if you die first and want to ensure your own children remain beneficiaries, however, the biggest drawback of Mutually binding Wills is their inflexibility and there are other ways to ensure your assets go to whom you choose. A life interest trust within a Will would be a better option. It's worth considering putting your assets in trust within the Will anyway as not only can this reduce the risk of the beneficiary losing the assets, through bankruptcy or divorce, it can also help alleviate any exposure to tax.

"Trusts can protect your assets from tax implications. Putting any life protection in trust is also a valuable move as not only does it prevent the payout to your family being included in the total value of your estate, it also means your dependants will receive financial help quickly, as it doesn't need to wait for probate before being released. However, before you make any decisions regarding trusts it's important to get specialist help."

Claudia Roberts - Glanvilles, solicitors.

Double your money!

If you're single or divorced, inheritance tax (IHT) is currently charged at 40% on assets that amount to more than £325,000 (with a further allowance of £175,000 available to individuals leaving their family home to children or grandchildren announced at the Sumer 2015 Budget). However, if you're married or in a civil partnership all your assets can be passed to a surviving spouse without any IHT applied. Importantly, when the other spouse dies, both partners' allowance is utilised, which means that jointly it could be up to £650,000 (or £1million if utilising the extra 'family home' allowance, and depending on how much of your partner's allowance was used when they died) and these thresholds are now frozen until 2021.

Being married or in a civil partnership also means that it's easier to transfer ownership of assets between two people in order to minimise tax bills. When the ownership of assets is transferred there's usually a capital gains tax (CGT) charge but this doesn't apply when they are transferred between spouses. This can come in very handy if you're selling assets that would otherwise be liable for CGT, such as shares or property. You can be taxed on any gain over £11,000, however, since both spouses have the CGT exemption of £11,000, it potentially means you can benefit from a nil rate up to £22,000 before any CGT is applied.

You old romantic

Married couples, and those in civil partnerships, tend to win when it comes to pensions. If you're married you should inherit a proportion of any final salary pension your spouse has earned. The civil partnership legislation gives civil partners the same rights as married spouses, so the qualification will work in the same way even if the information doesn't use the term civil partner.

But this won't necessarily happen if you're just living together. Each scheme sets its own rules and some of those can be quite determined to only allow a married partner to benefit but others might allow the nomination of a non-married partner as beneficiary.

It's not the most romantic reason to consider marriage, and greater thought should be given before tying the knot with someone than simply the benefit from a pension on the death of your spouse. But if you have a final salary pension it's worth looking at the detail to make sure you're not going to lose out on any retirement income you think might be automatically heading your way.

Phil's view

The obvious advantage of being in a couple, whether you're married or not, is that there are potentially two incomes to utilise, which means a lender can consider a larger mortgage.

Any planned changes in circumstances should be factored in to your affordability calculations, such as planning for a family and losing an income. If you have children already it should also be borne in mind that many lenders will take the cost of childcare, nursery or school fees into account when assessing how much they will lend.

Unfortunately issues can arise when you start to unravel things once the relationship is over - it makes this aspect a little more straightforward if you're married or in a civil partnership.

For example, a co-habiting couple who also own their home together have a 5-year fixed rate mortgage but are selling when the relationship breaks down before the fixed term is up. They will have added costs to consider if there are any early repayment charges. Also if two friends are buying a house together and one is putting more money into the purchase than the other, their input needs safeguarding for when the property is sold as the split might not necessarily be 50/50.

It's odd to think of the end of the relationship when you're looking to buy a house together but in these situations it's always a good idea to have some kind of legal agreement drawn up by a qualified solicitor.

If you're married or in a civil partnership, you still need to consider the legal implications of buying jointly. If you're married, and have bought as joint tenants, on the death of one spouse their share transfers to the surviving spouse. If you're tenants-in-common, then on the death of one spouse their share will go to whomever they have named in their Will.

As far as protecting your asset, being part of a couple makes it even more important to look at life insurance and critical illness cover. You need to consider what will happen to the property on death or divorce, if you fall ill or have an accident, if either partner stopped work for any reason, or you plan to have children: will your spouse still have a home? Are the repayments still affordable?

If you would like to know more about any of these points, please contact us on 01983 535740.

Golden years

Wealth management in later life

The 'second stage' of life is meant to be the one with the best years: the relaxing ones where we sit back and reap the rewards of a successful working life, enjoy playing with grandchildren, and going on cruises.

Everyone's default mode seems to be that all the major changes take place in the early part of your life, such as finding a job, getting married, having children. But this view flies in the face of the new reality: we're more likely to get married and have a family later in life, get divorced in our fifties and sixties, and with the increasing retirement age, many will be working for longer. This makes the need to keep on top of your Financial Planning even more important.

Show me the money

The priority for most people as they get older is ensuring they have enough to live on in retirement. If you're entering your fifties, now is the time to consider reducing any debt you may have: mortgage, credit cards etc, if you are able.

If you're currently still working, and if you can afford it, it's also a good idea to put some money aside in a savings account such as an ISA. Even if you have other pension savings an ISA is a tax efficient savings vehicle that has the added benefit of compound interest to boost your fund.

Most working people will be enrolled on their employers pension scheme through the auto-enrolment initiative. However, it's still worth considering a private pension, if you don't already have one, particularly if you still have some years to go before retirement. A simple stakeholder pension can be a good option as they can be opened by anyone in the UK and allow flexible contributions, which is useful if you're not sure how much you can put aside each month.

As you get closer to retirement it's worth considering taking advice from a qualified Financial Planner, preferably one with specific experience for later years and pension planning. There are many options available to an individual contemplating retirement and it's at this time that you are more likely to need help so as to avoid making a costly error – at very least there's the tax implications to be considered. The decisions you make at this point could affect your standard of living for the rest of your life.

However, many people in their fifties still have children at school or heading for university, so added issues could be that at a time when, historically, the pressure on your income would be reducing, many of the more intense financial commitments are still there – to say nothing of the day-to-day expense of feeding and clothing everyone.

Because we are conscious of the changing shape of people's lives, we offer lifetime cash flow forecasting. Our software can, with data supplied by you, examine how your spending, savings and investing will affect your plans for the future.

Infinity and beyond

If you haven't done so already, making a Will is a really good idea at this point, whatever your current relationship status. Making a Will ensures your money and possessions will be distributed according to your wishes. If you're not married or in a civil partnership and neither of you has a Will, you could be leaving your partner and any children, exposed to a potential inheritance tax (IHT) liability, depending on the size of your estate.

The ways in which a Will can help in tax and inheritance planning have been touched on in other sections within this brochure and are equally applicable at this life stage.

As we get older, we also tend to be thinking about our deterioration and the implications in terms of catering for future health and care – we've already touched on lifetime powers of attorney (and lifetime powers of attorney for health and welfare) written within a Will in other sections.

If it is on your mind that you might need living assistance as you get older, but are concerned about how to fund this should the need arise, it's worth considering a lifetime trust within your Will. This could help protect your assets from being used to fund care fees, whilst allowing your spouse to continue living in the property.

> **"Following the Care Act, 2014, the powers of local authorities have changed significantly, giving them more far-reaching powers to access your assets in order to pay for care fees."**
>
> Claudia Roberts - Glanvilles, solicitors.

Trust planning is complex, however, and you should always seek professional advice before making any amendments to your Will.

You can't take it with you

If you're living the dream and are enjoying a comfortable retirement, you could consider setting up some kind of savings plan for your grandchildren. And the most efficient way to do this is with a pension. One of the most straightforward options is a stakeholder pension, which is open to any UK resident under 75 years, has flexibility in the amount and frequency of contributions – and no penalties, even if you decide to switch providers.

Although considering a pension for a child seems odd, starting a fund as early as possible means that not only do they have the savings for the longest time, they also maximise the benefit of compound interest and are eligible for tax relief, which gives a further boost to any contributions.

So if you're a grandparent in the happy position of having excess income (not capital), contributions to a grandchild's pension can take money out of your estate without affecting your annual gifts. Also income tax paid on your pension income could be, in part at least, offset by the income tax boost the child receives on the contributions made.

Phil's view

The perception of the older person in the housing market is generally one of affluence – that they're mortgage free. However, we know that's increasingly not the case and as we are living longer, increasing numbers are considering equity release for a number of reasons. These may include repaying an interest-only mortgage due to mature without adequate provision for repayment; helping children, or grandchildren get on to the property ladder by gifting their deposit; paying for necessary home improvements, a special holiday, or to visit relatives abroad.

Equity release is an attractive option but it isn't right for everyone and you should consider all of the other available options before proceeding with this, and take professional, independent advice.

There are two main types:

- **Lifetime mortgages**: these are generally more flexible nowadays and allow you to borrow money secured against your house. There is interest to pay on the loan and you can either pay all or part of this interest if income allows every month, or choose to pay nothing and have the interest (compounded) added to the loan. With an interest 'roll-up' mortgage, the amount of debt increases over time and, broadly speaking, will double every ten years. The amount you're able to borrow depends on your age, health and the value of your home. We recommend that you involve family in your decision to take out an equity release contract as it will have an effect on the inheritance they will receive.

- **Home reversion**: this is a product that allows you to release capital by selling all or a part share of your property to a provider who then grants a lifetime tenancy allowing you to remain living in your home until your death (or for a couple, the death of the remaining partner) or move into long-term care. Generally, the older you are the more you're able to release or the smaller the share of the property you need to sell. It's not for anyone under age 65.

If you're in your forties and fifties and are looking for a mortgage, it's not an impossible dream.

Improving health means people are tending to work longer but you must ensure your mortgage is affordable right up to the end of the term. The reality is that, although all lenders have their own criteria, many will allow you to repay your mortgage up until age 75.

If you're likely to retire during the term of the mortgage, the lender will want to see what your calculated income is likely to be at retirement; this will include a projection of state, private and company pensions to establish whether the loan is affordable to the end of its term. Even if you're retired already, it's still possible to get a mortgage based on your retirement income.

It's been quipped that divorce is the second worst event in a person's life - the worst being marriage. Ending a close alliance with another person is never going to be easy and this droll, rather cynical, view reflects the bad taste and empty bank account that can be left when things go awry.

You can't plan and organise the emotional aspects of divorce but there are ways to ensure that your financial situation is arranged and protected in such a way so as to ensure you're not setting yourself up for acrimony or worse, penury, before you've even brushed the wedding cake from your lips.

Whilst all the same issues as those for being single or married apply here in terms of tax efficiency and protecting your assets and income, a key focus if you're facing divorce or separation is one of legacy. This is even more apposite if you are also considering a second union.

"Divorce does not revoke a Will. However, a remarriage or new civil partnership does by operation of the law unless a new Will has been made 'in contemplation of a specific marriage or civil partnership ceremony'."

Claudia Roberts - Glanvilles, solicitors.

Although the second union will revoke the existing Will, it's a good idea to revise your Will at the same time as divorce proceedings: what if you die during the divorce process? Make sure your share of any assets passes to your preferred beneficiary, not to those named in an out-of-date Will.

Wills aren't mutually binding (unless they've been drawn up specifically to be just that), and in revising your Will to exclude your first partner and include your second, you need to ensure that any children from your first marriage don't miss out in the long run. If all is left to the new spouse, your new spouse may later change their Will in favour of any of your new spouse's children or any children that subsequently come from your new union – and your children from your first marriage may end up penniless.

As far as property is concerned if it is owned as joint tenants then the property will pass automatically to the surviving co-owner even if divorce or civil partnership proceedings are taking place. This principle, known as the Right of Survivorship, also means this will happen even if there's another Will dealing with that property in a different way.

So careful consideration should be given to the handling of property in a divorce. Joint tenancies need to be severed and the parties become tenants in common if you both intend to retain ownership. This means you will each have a share of the property that will pass according to the terms in your Will – or under intestacy rules if you don't.

It's worth noting also that whilst a Will isn't revoked by divorce, Powers of Attorney are. If you have these in place you will need to amend them accordingly so as to ensure that the person you want to act on your behalf has your best interests at heart.

Death benefits

If two people are widowed and decide to marry, under current rules it means they, as a married couple, are entitled to four times the inheritance tax allowance: their own plus their deceased spouse's allowance.

If you are separated but not yet divorced from a terminally ill spouse, you could consider waiting until they die rather than divorcing them as then you will retain their inheritance tax allowance automatically. Some might say that's cynical but it's relevant to consider it from an inheritance tax planning perspective.

Trust in me

What if it's not you going through a divorce, but a child or other beneficiary of your Will? There are many advantages to setting up a trust within your Will as this is a flexible way to give away assets without simply passing them directly to beneficiaries - and it can protect those assets for future generations. Trusts can also be used effectively in tax planning.

Protecting those assets has greater significance within the context of second marriages. Family wealth that might otherwise have been kept within one tight family group is suddenly spread across an extended family. Professional help is essential to help create the correct balance between the security of the surviving spouse (or the individual parties in a divorce) and the interests of any children from the first marriage.

When drawing up a Will, the main concern is that of not only providing for your new spouse but also ensuring that any children from the previous relationship are still the main beneficiaries. This is where a life interest trust within your Will could be useful as it allows you to make provisions for your surviving spouse whilst ring-fencing the bulk of your estate for the benefit of your children.

Control from beyond the grave

Trusts allow you to retain some control over your assets after you've died but if not drawn up appropriately can prove restrictive for the surviving spouse. That said, they are a sensible arrangement to consider.

How it is set up depends on your circumstances and what you want to achieve but essentially the trust can allow any income generated from the assets held within it to be paid to your surviving spouse but they have no entitlement to the capital without trustee approval. If a property is included in the trust, provision can be made that allows the surviving spouse to continue living in the house for the rest of their life or, if preferred, until they remarry or co-habit. The trustees can be given powers to allow for flexibility of the arrangements should unforeseen circumstances occur.

Phil's view

If you're divorced, separated or widowed your considerations are once again affordability. One income – how much can you afford to borrow? Can you still afford an existing mortgage? Are you paying maintenance?

Considering that single income, if you haven't already taken steps, it's a good idea to look at some form of protection. Priorities should be: income protection or critical illness cover. You've just been through one of life's most stressful experiences: is this likely to impact on your health or ability to work? Are you left looking after children?

If you're the one who's left the marital home in a separation or divorce, it's worth remembering that you remain jointly and severally liable for the existing mortgage. Within the new and extensive affordability checks that lenders now carry out on borrowers, your financial responsibility for this will be taken into consideration - even if you're no longer paying anything towards it. If you wanted to remove yourself from the mortgage, without selling the property, your lender will consider this but only if the remaining party can afford the payments alone. Again the criteria vary from lender to lender, and it's not always necessary for the property to be sold, so it's always wise to get advice as much could depend on your particular situation.

Think carefully before securing other debts against your home. Your home may be repossessed if you do not keep up repayments on your mortgage.

To understand the features and risks of a lifetime mortgage you should ask for a personalised illustration.

Life's journey can be complicated. Rouse Limited and Glanvilles (glanvilles.co.uk) can help you choose a simpler path.

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