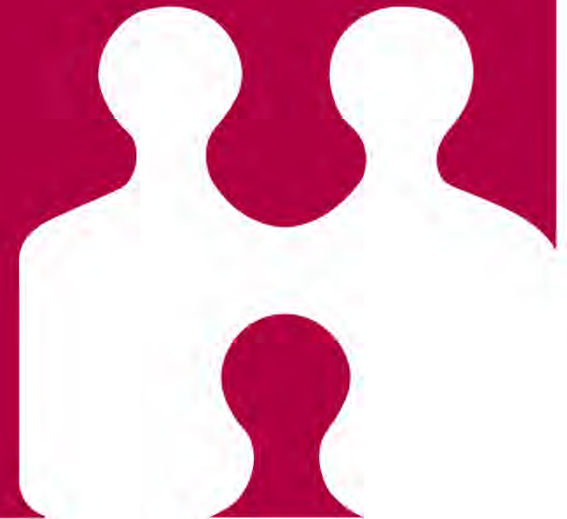


Financial Planning on Separation Conference 2023

#ResFPODConf



#ResFPODConf



Steve Hennessey, Conference Chair and Resolution Accredited Chartered Financial Planner – Beeswax Wealth Management Ltd

WELCOME FROM OUR CONFERENCE CHAIR

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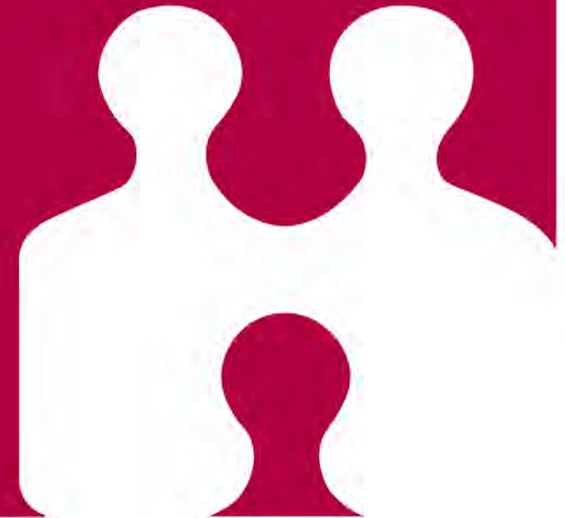
Marketing Your Divorce Business

Tamsin Caine

Resolution Accredited Divorce Specialist

Director of Financial Planning,

Smart Financial



Things We Do or Have Done

- Blogs on our website
- Guest blogs on other people's websites
- Daily posts on Twitter, LinkedIn, Facebook and Instagram
- Facebook advertising with free guide
- The Smart Divorce Podcast
- YouTube channel
- Facebook Group with other professionals
- Interact with the divorce community on Twitter
- Networking with other divorce professionals
- Using LinkedIn to keep in touch with people you meet
- Guest on other people's podcasts
- Having guest blogs on our website
- Created a group of local divorce professionals
- Wrote a book "Your Divorce Handbook – It's What You Do Next That Counts"
- Join Resolution
- Attend local Resolution events and get involved with the DR (Dispute Resolution) pod.
- Join Resolution committees
- Write press articles

Where to start?

- Why do you want to work in the divorce niche?
- When in the process do you want to get involved?
- What sets you apart from others in this space?
- Immerse yourself in the world of divorce

Your Ideal Client

- Who is your ideal client?
- How old are they?
- Where do they live?
- Are they the person who looked after the money in the relationship?
- Are they the main breadwinner?
- Are they going to need you after the divorce is finalised?
- How can you help them?
- How will they recognise themselves?

Speaking to your ideal client

Example:

Your ideal clients are single mums

Post ideas:

How much pocket money should I give my child?

How should me and my ex coparent better?

Who should be paying the university maintenance top up?

Dating in 2023 – An introduction to online dating

Speaking to your ideal client cont.

Example:

Your ideal clients are “Silver Splitters”

Post ideas:

Lasting Powers of Attorney – why you should arrange yours now

Options for income in retirement

Buying a home in retirement after divorce

Grandparenting when your divorced

Marketing Plans

- Post it notes with topic ideas
- Split the week so that specific posts happen on specific days, eg. we post Tuesday tips every week.
- Split the month so that certain things happen on specific days of the month, eg. our podcast episodes launch on the 1st and 3rd Friday, we post a new blog on the 2nd Friday, our newsletter goes out on the 4th Friday.
- Keep a spreadsheet of your topics and posts – you can use them more than once!

Make the most of your blog

- Don't just use your blog as a blog!
- Chop it down into smaller posts for social media (use Twitter, LinkedIn, Instagram and Facebook)
- Make a video of the blog
- Repost the blog next year
- Add it to your newsletter
- Pitch the content for a journalist article
- Gather other people's opinions on the subject for more posts

Using Social Media

- Don't hide from it!
- Use it to find your tribe – other divorce professionals, potential clients.
- Don't worry about the likes – divorce clients often hide in the shadows.
- Be consistent.
- Have an opinion.
- Let your audience know who you are and who they will be working with.

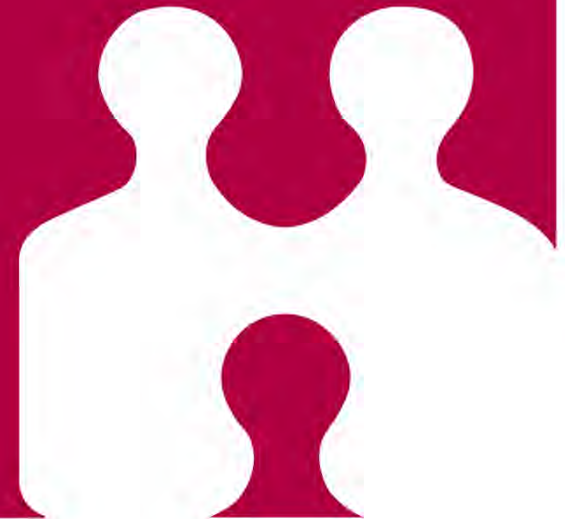
Keep Learning

- Join Resolution if you haven't.
- Read EVERYTHING you can find on divorce, whether aimed at you or not.
- Understand the process.
- Learn the jargon.
- Attend webinars, seminars, conferences.
- Join the Twitter Family Law Hour.
- Understand the different options for divorcing couples.
- Talk to family lawyers whenever the opportunity arises.

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Pensions on Divorce Post PAG

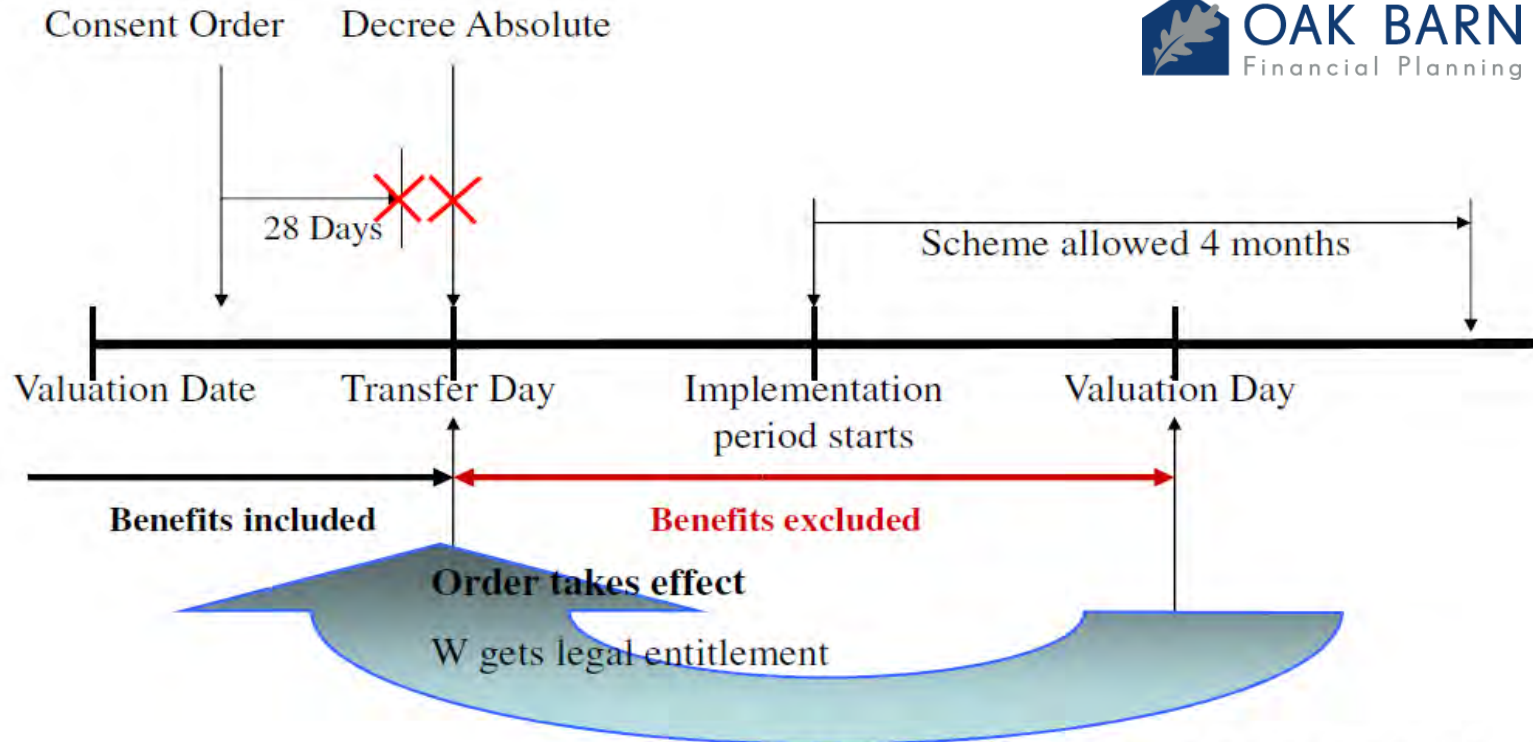
Rhys Taylor, Paul Cobley,
Jonathan Galbraith
16 March 2023



Agenda

- Pension sharing process – a timeline
- Market turbulence
- Offsetting and Galbraith Tables
- Approach to pensions
- Apportionment/ringfencing
- Drafting
- Case round up

Pension Sharing Process



The CETV is calculated based on the benefits that existed immediately prior to the Transfer Day

Market turbulence

30/06/2018 to 30/11/2022

XPS Transfer Value Index



- The chart shows how the “typical” CEV of the same underlying pension benefits has changed from 2018 until now
- Falls of **25–45%** might have occurred since early 2022!

Market turbulence

- Paralysis of Divorce settlements caused by fluctuating CEVs is surely not a practical option.
- At the moment, Public Sector CEVs unaffected.
- CEVs of DC funds may have fluctuated in line with markets, but should not lead to paralysis as DC CEVs are usually easy to obtain.
- Obtaining new CEV of DB scheme comes at cost if within 12 months. Is CEV large enough to justify?
- **When do you expect to settle?** If sometime historic CEV good for indicative figures upon which settlement can be agreed in principle, subject to subsequent fine tuning nearer date.

Market turbulence

- Consider proportionality.
- If equality of income is the objective, and DB fund in question is not to be shared, CEV is an irrelevance.
- Turmoil in DB CEVs also highlights fallacy of using CEVs for offsetting.
- Refer to MCL blog at <https://mcact.co.uk/cash-equivalent-values-cevs-for-defined-benefit-pensions-q3-2022/>

Offsetting

- Most cases of negligence involving pensions on divorce relate to offsetting, rarely pension sharing.
- Different interpretations of offsetting—value of rights to holder vs. the cost to the other to make up the shortfall.
- Adjustments for tax and utility sometimes hard to quantify (although PAG report can help here).
- PAG Appendix U: useful for practitioners to have a “rule of thumb” to value pension rights in the first instance. See also Galbraith tables!

Offsetting

- Defined contribution (money purchase) pensions typically have CEVs that are “fair value”, unless they contain GARs, GMP (s.32), MVRs etc.
- Defined benefit (final salary) CEVs are typically not reflective of “fair value” of underlying pension promise
- For example, NHS pension of £20k pa, plus lump sum of £60k, for someone aged 53 is **£430k...**
- ...but he/she would need **£475–500k** in defined contribution funds at age 53 to replicate these benefits (payable at age 60)

Introducing...The Galbraith Tables

- The Galbraith Tables have been produced by Jonathan Galbraith and Chris Goodwin of Mathieson Consulting Limited (MCL)
- They saw the need from the work they do with solicitors, and it responds to a challenge set out in the PAG Report (App U)
- Intended to work in similar fashion to **Duxbury** (for capitalising spousal maintenance amounts) and **Ogden** (primarily used for catastrophic loss claims)
- The tables seek to answer the same question: how do you place a “£ amount” value today on a future *per annum* income stream?
- Version 1.0 of these tables appeared in issue 1 of the Financial Remedies Journal (with “quick start guide” article) and full “user manual” can be found at <https://mcact.co.uk/galbraith-tables/>

What tables are there?

- There are three sets of tables:
 - One to value lump sum amounts payable in the future (unisex)
 - Two to value £ pa pension amounts payable at present in the future, one male and one female
- Sex-specific tables were created to maintain consistency with Ogden and Duxbury, but one can take an average of male / female factors to use them in a unisex manner
- Tables depend upon:
 - the age that the individual is at present, and
 - the age at which the £ pa pension comes into payment

An example of how the tables might be used

- H (aged 45) has a pension of £10,000 pa, payable for life from age 60
- W is aged 40 and we wish to consider an offsetting solution
- How do we value this pension, both to H and to W? Using the tables...

Factors used for the valuation of pensions payable in retirement (males), ages 50–69					
Age at date of calculation	Assumed retirement age				
	50	...	59	60	61
20	26.803	...	15.529	14.572	13.664
...
44	47.145	...	27.343	25.612	23.973
45	48.092	...	28.005	26.230	24.549
46	49.057	...	28.684	26.864	25.141

Factors used for the valuation of pensions payable in retirement (females), ages 50–69					
Age at date of calculation	Assumed retirement age				
	50	...	59	60	61
20	28.705	...	16.840	15.823	14.857
...
39	45.418	...	26.521	24.905	23.368
40	46.522	...	27.158	25.502	23.928
41	47.552	...	27.811	26.114	24.501

- Every £1 pa of pension is worth £26.230 to H, and so $10,000 \times 26.230 = \mathbf{£262k}$ is the value of the pension to H
- For W, tables show that £1 pa of pension is worth £25.502, so $10,000 \times 25.502 = \mathbf{£255k}$ as what W would need by way of offset
- **Why are the figures different? What do we mean by “offsetting”?**
Refer to PAG

An example of how the tables might be used

- Suppose H's pension of £10,000 pa was in (say) the NHS Pension Scheme, and comes with a three-time lump sum of £30,000
- We allow for this using the lump sum table
- This table is unisex as allows only for investment returns to retirement
- Thus value to H is $30,000 \times 0.742 = 22,260$, which once added to the pension value gives **£285k** in total
- And value to W is $30,000 \times 0.646 = 19,380$, giving £274k in total
- **Note that £30,000 of lump sum payable in the future is not worth £30,000 today (in contrast to a defined contribution fund of this amount)**

Factors used for the valuation of lump sums payable at retirement (either sex)					
Age at date of calculation	Assumed retirement age				
	50	...	59	60	61
20	0.489	...	0.381	0.370	0.360
...
39	0.829	...	0.646	0.628	0.611
40	0.853	...	0.664	0.646	0.628
41	0.875	...	0.683	0.664	0.646
42	0.895	...	0.702	0.683	0.664
43	0.917	...	0.722	0.702	0.683
44	0.939	...	0.742	0.722	0.702
45	0.961	...	0.763	0.742	0.722
46	0.984	...	0.784	0.763	0.742

Other things to consider

- These amounts are before any tax / utility adjustment; discussed in PAG and in the tables “user guide”
- Assumed that pensions follow CPI price inflation before and after retirement
- These are simple defined benefit pensions, and treatment of other arrangements is discussed in the user guide
- Two important caveats to remember:
 - There is very often no substitute for seeking advice from a PODE when dealing with complex pension benefits
 - Other experts may place a different value on such pension benefits: it was ever thus! Nonetheless, we believe the tables are “good enough” for giving solicitors a steer on the value of pension benefits

Conclusions on Galbraith Tables

- The Galbraith Tables are intended to be a helpful resource for solicitors seeking to place a “ballpark value” on pension rights
- They are (hopefully!) easy to use and transparent in terms of assumptions used, and “good enough” for their intended purpose
- If these tables make the lives of practitioners a little easier, then we have done our jobs well!
- Remember though that pension rights are often more complex than they appear and there is no substitute for professional expertise

Approach to pensions in needs case

W v H (Divorce financial remedies) [2020] EWFC B10

- PAG prima facie persuasive, but subject to judicial oversight and criticism
- No one size fits all.
- Para 60(i) broad approach, where parties young.
- Capital value may not be fair result as parties closer to retirement.
- Often fair to equalise incomes.
- [61(iv)] “Where the pensions concerned represent the sole or main mechanism for meeting the post-retirement income needs of both parties, and where the income produced by the pension funds after division falls short of producing a surplus over needs, then it is difficult to see that excluding any portion of the pension has justification.”

Approach

CMX v EJX (French Marriage Contract) [2022] EWFC 136, per Moor J
Paras [49] and [50]

Commentary

- Appears to have used CE. £1m missing? See criticism: [Financial Remedies Journal: Valuing Pensions on Divorce: CMX v EJX](#)
- This case did not need expert given high value of other assets (£24m)
- No wrestling with PAG (approved by President and FJC) or arguments in CJ level cases.
- Still necessary to flush out true capital value of DB pensions or risk unfairness in “ordinary money” cases
- Experts broadly agree approach on equalisation of income approach (quasi annuity purchase assumption on basis that each party will end up with similar quality (secure) income).
- Experts do not agree assumptions necessary for equalisation of capitalisation of capital calculations.

Approach in needs case – Apportionment?

- Hot topic, per PAG2 survey
- PAG 4.3 “It is important to appreciate that in needs based cases, just as with non-pension assets, the timing and source of the pension saving is not necessarily relevant – that is to say, a pension-holder cannot necessarily ring-fence pension assets if, and to the extent that, those assets were accrued prior to the marriage or following the parties’ separation. It is clear from authority that in a needs case, the court can have resort to any assets, whenever acquired, in order to ensure that the parties’ needs are appropriately met.”
- Consider also seamless cohabitation into marriage

Approach in needs case – Apportionment?

KM v CV (Pension Apportionment: Needs) [2020] EWFC B22. HHJ Robinson

- Long period between separation and trial. DJ wrong to take date of separation. Too much emphasis on the non-matrimonial element of the pension.
- Para [31] “The correct approach must be to conduct a comparative analysis of the parties’ respective income and needs in retirement taking into account all the s.25 criteria, including health, needs and contributions, and the extent to which the wife’s pension should be apportioned. Only then can a fair decision be reached.

Approach in needs case – Apportionment?

RH v SV (Pension Apportionment: Reasons) [2020] EWFC B23.

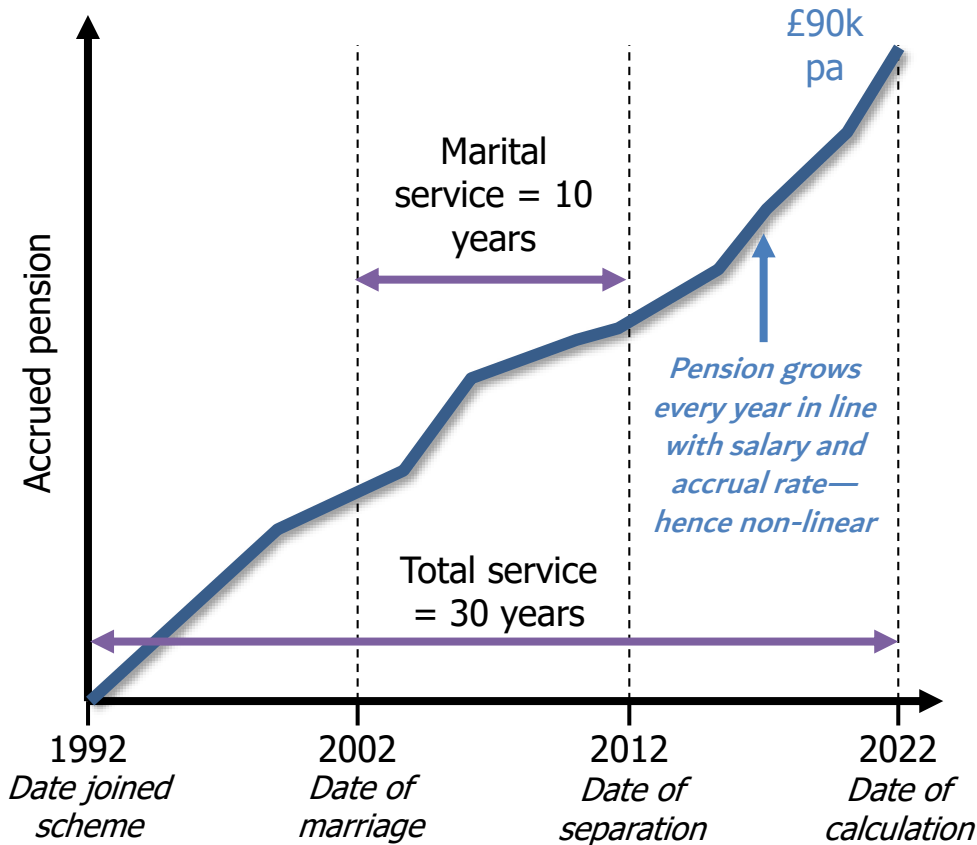
HHJ Robinson

- 13-year marriage, most of pension was pre-marriage.
- LIP wife had agreed only marital period relevant
- “[13]...in general, courts assume that contribution-based arguments are of less weight when needs take precedence, and assets which are strictly non-matrimonial can be taken into account.”
- “[15] [DDJ] ...would have been perfectly entitled to share the whole pension pot if justified by needs, and as the Pension Advisory Group indicated this will frequently be the case where the scale of the resources is not large and there has been a significant period of cohabitation.”
- DDJ had given sufficient reasons for decision and HHJ did not interfere.

Approach in needs case – Apportionment?

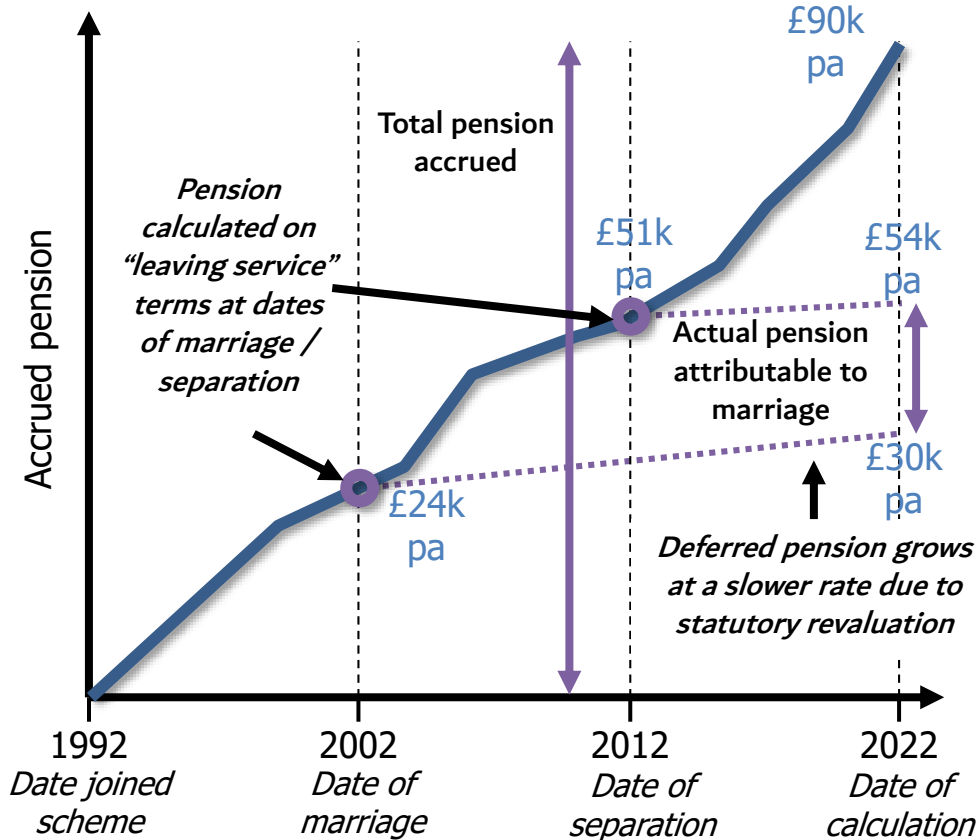
- CF: Sharing cases where apportionment is appropriate see e.g. Non-matrimonial pensions: the forgotten discussion. Joe Rainer. Family Law Journal [2020] 95.
- PAG - Appendix S – no one definitive approach in non-needs cases:
 - Deferred pension method – purists’ approach, but how realistic?
 - Straight line (gaining traction outside of pension context e.g. *Martin v Martin* [2018] EWCA Civ 2866, but HHJ Hess risk of unfairness [61(i)] in *W v H*. Often only practical solution)
- Cash equivalent (dangerous)
- Key question needs or sharing approach: Where does one draw the line between needs and sharing?

Straight line method



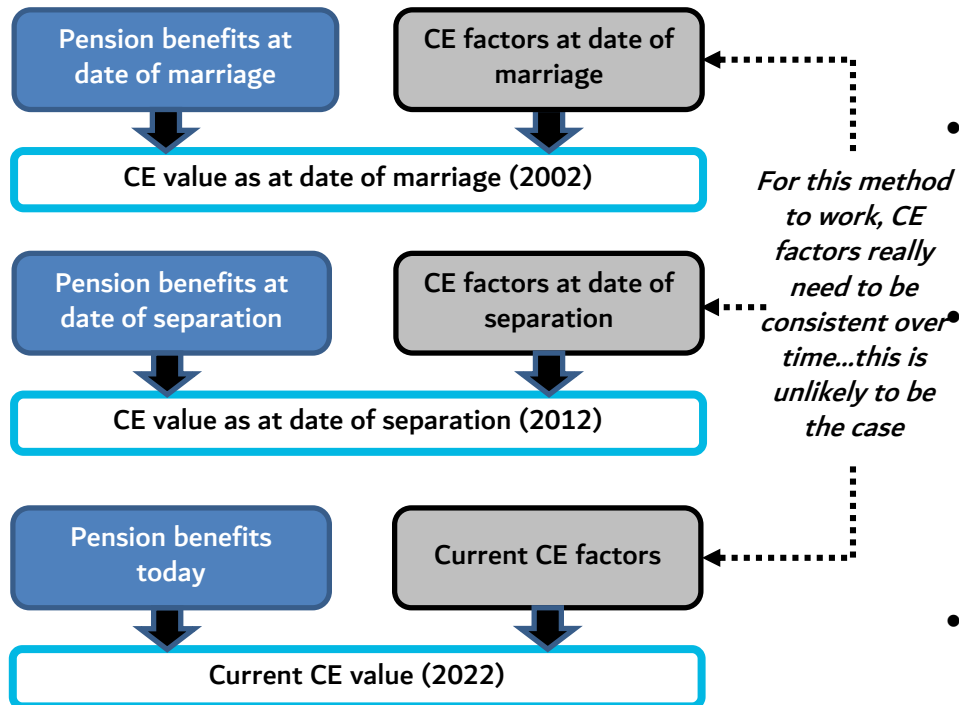
- Simple ratio of marital years of service to total service
- Takes no account of rate at which pension was accrued nor salary growth over this period
i.e. $10 \div 30 \times \text{£}90\text{k pa} = \text{£}30\text{k pa}$
- Method used in Scotland (where apportionment always performed)
- Easiest to calculate as simply need service history
- Apply equally to attaching lump sums etc.
- Part-time service requires a bit more effort

'Deferred pension' method



- More complex method that determines the deferred pension amounts attributable to the marital period as a proportion of the total
i.e. $£54k - £30k = £24k$ pa (of total $£90k$ pa)
- Theoretically more "accurate"...but relies upon historic salary data that may not be readily available
- Especially true for pensions in payment where accrual data may have been archived
- Allows for what some practitioners call "passive growth" i.e. revaluation but not the future salary increases

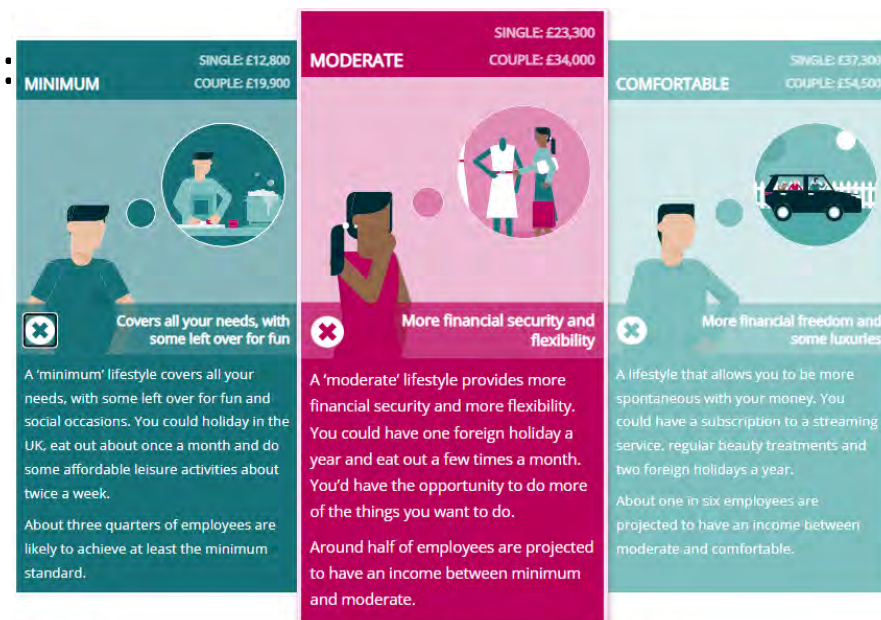
Cash Equivalent (CE) method



- Calculation made using a comparison of CE values at date of marriage, date of separation and today
- CEs are provided by the pension scheme and thus seen as a reliable, “independent” valuation of the benefits
- Relies upon CE values being a consistent measure of benefits...but CE factors will change over time on account of market conditions and scheme actuary’s views on funding / security
- Hence CE values change for reasons other than benefit accrual
- Further, historic CE values not always readily available
- Also relies on being able to construct pension amounts at earlier dates (as per DP method)

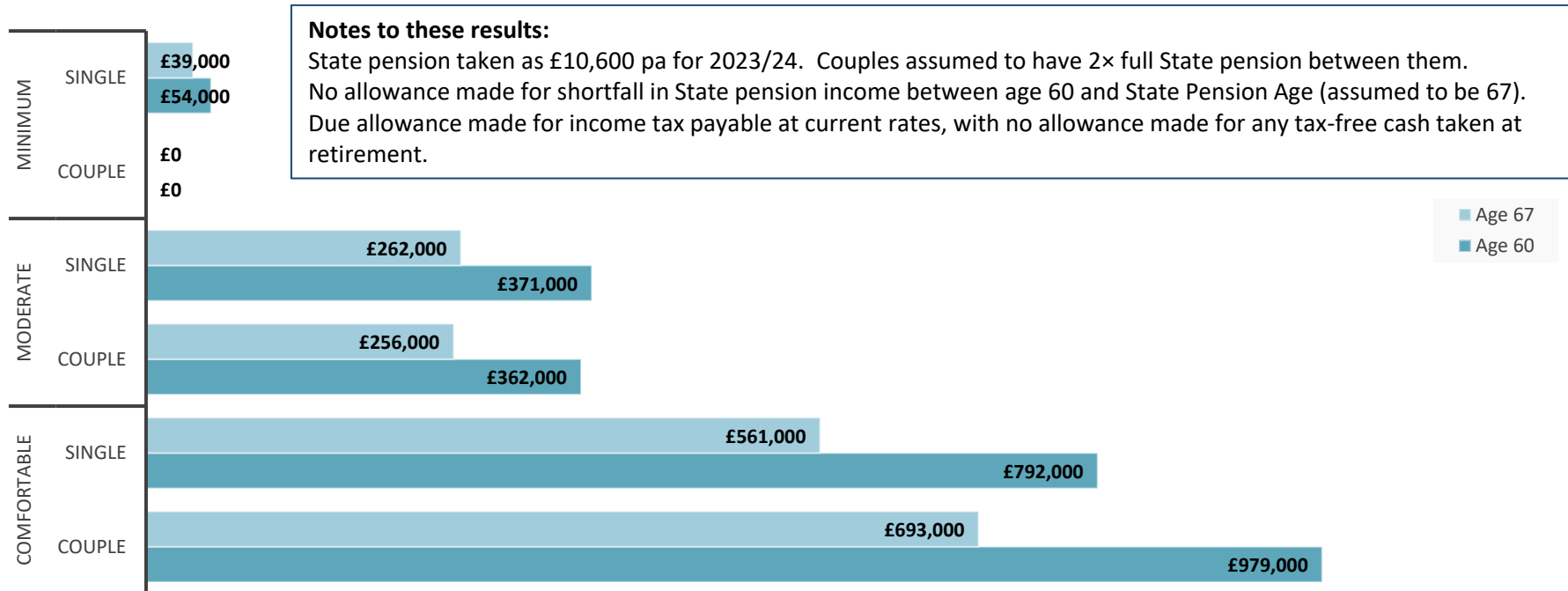
What level of income might be needed in retirement

- The “Retirement Living Standards” are published by the Pensions and Lifetime Savings Association (trade body for pension schemes)
- Details of incomes needed (in current 2023 terms) as opposite:
- Income figures include State pension i.e. “minimum” income largely covered by State pension
- It follows that a couple needs less than 2× what a single person needs in retirement
- Incomes are NET after income tax



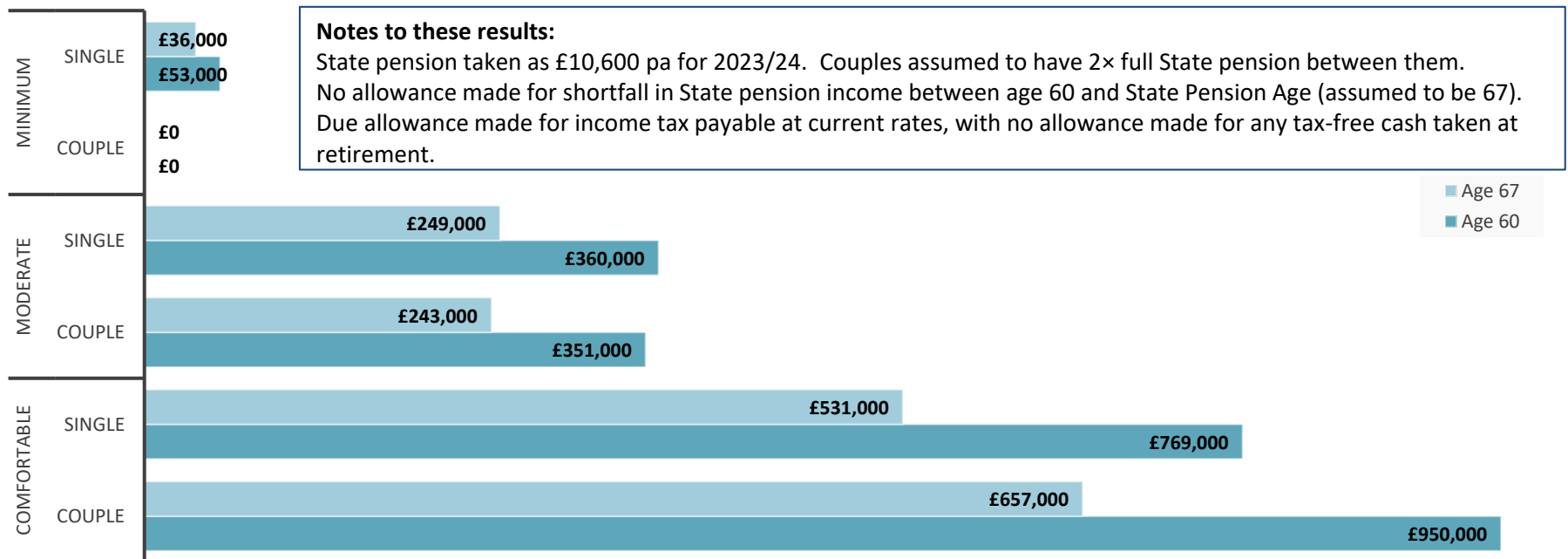
How much might this income cost?

Based on **annuity purchase**, MCL determines that the following DC funds would be needed at age 60 to provide income in additional to State pension:



How much might this income cost?

Based on **income drawdown**, MCL determines that the following DC funds would be needed at age 60 to provide income in additional to State pension:



Drafting – watch this space...

- Clean break “upon implementation of PSO”?
- Be clear what pension is being shared. Get annex right.
- What undertakings might you consider [PAG Appendix F.9]?
 - Will not knowingly draw, transfer or deal in any way with benefits pending implementation [save as may otherwise be agreed in writing]
 - Will not seek DA until after 28 days and thereafter will then seek DA forthwith
 - Will use best endeavours to implement PSO
 - Will pay share of implementation fee forthwith on written request [PAG Appendix F.22]

Case round up

- *Finch v Baker* [2021] EWCA Civ 72 – PSO does not guarantee a figure.
- *W v H (Financial Remedies: Pensions)* [2021] EWFC B63 Recorder Salter
 - Pensions equalised at 60 after long marriage
 - No apportionment for post separation contributions
- *T v T (Variation of Pension Sharing Order and Underfunded Schemes)* [2021] EWFC B67 - HHJ Hess
 - material changes to CEV between Order and implementation
 - CEV unreduced, then reduced due to underfunding, then unreduced again
 - application to appeal by H delayed Order taking effect
 - delay in Order taking effect captured additional accrual

Case round up

- *A v R* [2021] EWFC B102 – DDJ Davies – PODE wrong approach on valuing pensions using CE as part of an average, when offsetting
- *Goodyear v Goodyear (deceased)* [2022] EWFC 96 - HHJ Farquhar – unexpected death after pension taken effect but before implementation.
 - partial set aside of pension share (appeal application also running)
 - ruled a Barder event
 - scheme rules deficient and corrected mid case
 - absence of PSO precedent “cannot prove fatal to application”
- *YC v ZC* [2022] EWFC 137 HHJ Hess – expert/parties nearly missed guaranteed annuity rate. More than doubled value of pension.

Contacts

These slides are no substitute for professional advice and should not be relied upon as such.

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COFFEE BREAK

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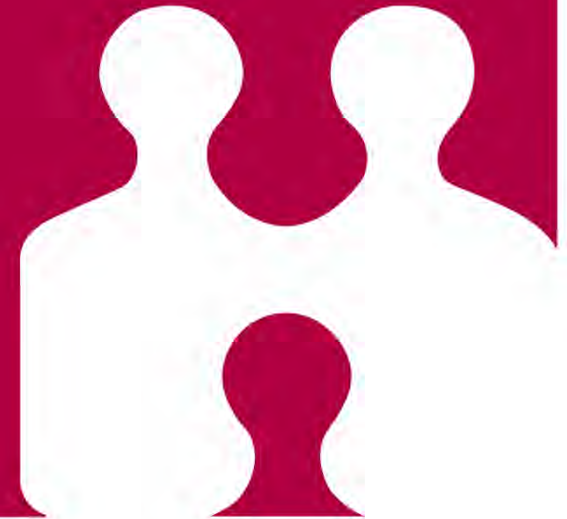
“I wish I’d been involved at an earlier stage!”
How solicitors and financial advisers work
together to help separating families in divorce
cases

Alison Bull, Partner, Mills & Reeve LLP

Family, hybrid, civil/commercial and child inclusive mediator, collaborative
practitioner and financial and children arbitrator

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Mills & Reeve LLP



Introduction – what I'll be covering

- Context
- What assistance is likely to be needed
- How we can work together
- When we should work together
- Why we should work together
- Things to look out for

But first.....

Questions for you.....

1. Have you experience of assisting client/s/couples in a divorce situation?
 - a. Working with an individual
 - b. Couples
 - c. Both individuals and couples

Questions for you.....

2. Have you worked with a client/couple:
 - a. Advising in the background
 - b. Speaking with solicitors/mediators on the phone
 - c. Joining the client/couple in a meeting with their solicitor/s or mediator?

Questions for you.....

3. Those of you who have worked with clients and solicitors/mediators, was that:
 - a. In the background of contested court proceedings
 - b. In the background of an arbitration
 - c. Assisting with solicitor negotiations
 - d. Joining a mediation meeting/s
 - e. As part of a collaborative process

Context (1)

S25(2) Matrimonial Causes Act 1973 – relevant factors

- Resources
- Needs
- Standard of living
- Age of parties, length of marriage
- Health of parties
- Contributions
- Conduct
- Loss of chance of acquiring benefits

Context (2)

Most common types of orders include:

- Periodical payments (ie maintenance)
- Lump sum/s
- Property transfer
- Pension sharing orders

What assistance is likely to be needed? (1)

First stage – identifying needs/resources

- Pensions (as discussed by Rhys/Paul earlier!)
- Preparation of schedules of income needs; past and future
- Mortgage capacity/affordability
- Life insurance, critical illness insurance, private medical insurance
 - Continue/stop?
 - Arrange/encourage & cost
- Tax; impact of IT, CGT, SDLT

What assistance is likely to be needed? (2)

Second stage

- Suggestions for “growing the pot”; eg state pension top up, state benefits eligibility, gifts from family [caution needed], creativity around pension retirement ages
- Option generation
- Cash flow projections; ie the effect of the above
- Estate planning

How we can work together

- Getting started
- Considering options for next steps (beware “difficult” clients)
- Communication is key
- Supporting in whichever process is used
- Implementation - and beyond
- Costs

When we should work together

- When the possibility of divorce first arises
- Financial disclosure preparation and review (eg Forms E/supporting documents)
- Identifying/considering options/proposals for settlement
- Assisting with any time-critical issues
- Finalising any agreement (eg timing, practicalities that need to be nailed down)
- During implementation

Why we should work together

- Clients need financial advice as well as legal input
- A team approach (in appropriate cases) should produce a better outcome
- More cost effective, efficient and supportive
- And if it has to be a fight... then to help the individual client to navigate it all and achieve the best result for them

Things to look out for

- Who is/are your client/s – is there any conflict? Can you act/continue to act for both?
- Adversarial or collaborative?
- If collaborative/mediation – are you a signatory to the participation/mediation agreement?
- Open or privileged? Eg schedules of outgoings, proposals
- Is there an international element?
- Are the parties' children legally theirs? Check! How/where were they conceived?
- Are the parties legally married?
- Pre/post nups
- Tax year end
- Further Resolution training

Questions?

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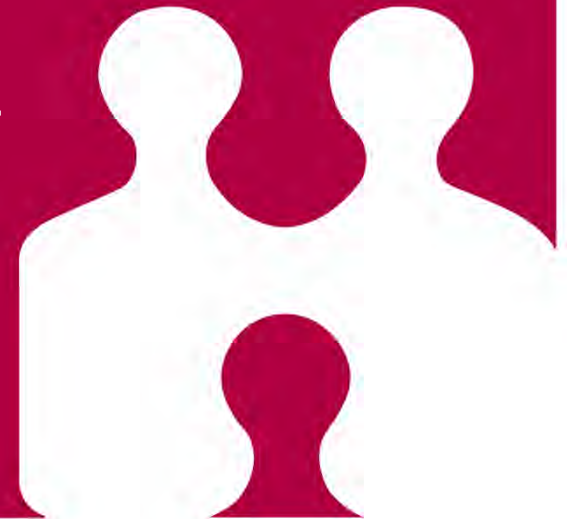
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Completing the IFA Accreditation – The reality...

Lottie Kent

Award Winning Chartered Financial Planner
& Resolution Accredited Divorce Specialist



Agenda

- The Pros – how it has helped my business
- The Cons
- The ins and outs – what is involved:
 - Breakdown of the papers and case study
- How to tackle it
- Tips and tricks
- Questions

The Pros – how it has helped my business

- Recognised by the legal profession
- You stand out from the crowd
- Positions you as an expert
- Allowed the business to niche completely in divorce
- Business has grown significantly since then
- Opened other opportunities/doors

The Cons:

- The time involved
- You don't know what you don't know – it's tough
- Very lonely world
- Evidence of 3 years experience

The ins and outs – what is involved:

- Breakdown of the papers:
 - The Core Assignment
 - Portfolio Assignments:
 1. A case study with four questions
 2. Two reflective case accounts

How to tackle it - Before getting started:

- Download:
 - PROSPECTUS and read it
 - Resolution Code of Practice
 - Competencies for each assignment and ensure you are competent/can evidence work in each area
- Decide which portfolio assignments you will do
- Buy necessary materials:
 - Pensions on Divorce Book
 - PAG report
 - A bag of strong coffee, some bath salts,
 - wine and chocolate!!
- Make a plan



How to tackle it – Decide on your reflective case studies:

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Can do this before you get started....

- Review the competencies
- Some more ideas...

How to tackle it – Decide on your reflective case studies:

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Cash flow modelling reflective accounts:

- Brought someone around to a different way of thinking
- Mistakes that I made
- How dealt with emotional client/vulnerable
- Illustrate offsetting and how helped reached outcome
- Worked in a team environment

How to tackle it – Decide on your reflective case studies:

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Pension reflective accounts:

- Complex case – technical pension work
- Specific pieces of legislation
- Solicitor did not believe what was said
- How to split a pensions
- Understanding the actuary report

How to tackle it – Format for reflective accounts:

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- Basic Background
- Overall assessment of client's needs and risk management factors
- Initial Process
- Management strategy and rationale
- My remit was for this case
- CFM/Advice provided and focus
- Outcomes, conclusion and learning outcomes

How to tackle it – Reflective Accounts

- GIVE A REASON FOR EVERYTHING
- REDACT or use fictitious names
- Remember to Reference

How to tackle it – Assignments

- Complete one at a time
- Read case study 3 times and highlight the key information:
 - Dates
 - Amounts
 - Emotions
- Read questions in full
- Complete each answer in a word document
- Worry about the word count later
- Don't insert it into the answer document until you are ready to submit
- Referencing word document
 - How to reference
 - Can't all be Wikipedia!!!

Referencing...

- 1.1 - <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/do-it-yourself/>
 - 1.2 <https://resolution.org.uk/wp-content/uploads/2019/07/Options-flow-chat.jpg>
 - 1.3 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/arbitration/>
 - 1.4 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/the-collaborative-process/>
 - 1.5 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/family-mediation/>
 - 1.6 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/lawyer-negotiations/>
 - 1.7 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/going-to-court/>
 - 1.8 <https://www.wrightthassall.co.uk/knowledge-base/guide-to-arbitration-and-divorce#:~:text=For%20those%20couples%20who%20broadly,court%20proceedings%20is%20an%20other%20bonus.>
 - 1.9 <https://www.glaistryers.com/advantages-and-disadvantages-of-mediation/>
 - 1.10 <https://www.divorce-online.co.uk/blog/the-role-of-financial-advisers-in-divorce-proceedings/>
 - 1.11 <https://resolution.org.uk/membership/our-code-of-practice/>
 - 1.12 <https://resolution.org.uk/resolutions-good-practice-guides/good-practice-guide-to-communication/>
 - 1.13 <https://resolution.org.uk/looking-for-help/splitting-up/your-process-options-for-divorce-and-dissolution/mediation-information-and-assessment-meetings-miams/>
 - 1.14 <https://www.thefamilylawco.co.uk/blog/divorce/could-covid-19-be-classed-as-a-barder-event/>
 - 1.15 <https://www.nhsbsa.nhs.uk/employee-section/understanding-my-statement/benefits-payable-death>
 - 1.16 <https://www.wiselaw.co.uk/divorce/collaborative-divorce/>
 - 1.17 <https://resolution.org.uk/looking-for-help/splitting-up/what-to-expect-the-legal-process-for-divorce-or-dissolution/> (The legal process)
- 2.1 Pensions on Divorce: a Practitioners Handbook p219 & p220
 - 2.2 <https://www.nhsbsa.nhs.uk/sites/default/files/2018-10/Special%20Class%20status%20member%20factsheet-20181017-%28V7%29%20.pdf>

- 3.6 <https://www.wiselaw.co.uk/finances-settlements/pension-attachment-orders/>
- 4.1 <https://www.lawteacher.net/acts/matrimonial-causes-act.php#:~:text=The%20Matrimonial%20Causes%20Act%201973,of%20marriage%20and%20British%20nationality.%E2%80%9D>
- 4.2 Pensions on Divorce: a Practitioners Handbook p457-475
- 4.3 Pensions on Divorce: a Practitioners Handbook p476-487
- 4.4 Pensions on Divorce: a Practitioners Handbook p488-492
- 4.5 Pensions on Divorce: a Practitioners Handbook p492-497
- 4.6 Pensions on Divorce: a Practitioners Handbook p497-502
- 4.7 Pensions on Divorce: a Practitioners Handbook p322-327
- 4.8 Pensions on Divorce: a Practitioners Handbook p332-406
- 4.9 Pensions on Divorce: a Practitioners Handbook p406-449
- 4.10 Pensions on Divorce: a Practitioners Handbook p449-453
- 4.11 Pensions on Divorce: a Practitioners Handbook p453-455

Cash flow modelling assignment:

- Snips from report
- Explain reason behind everything
- Reference the code
- Reference legislation
- Illustrate knowledge across the different competencies

Pension assignment:

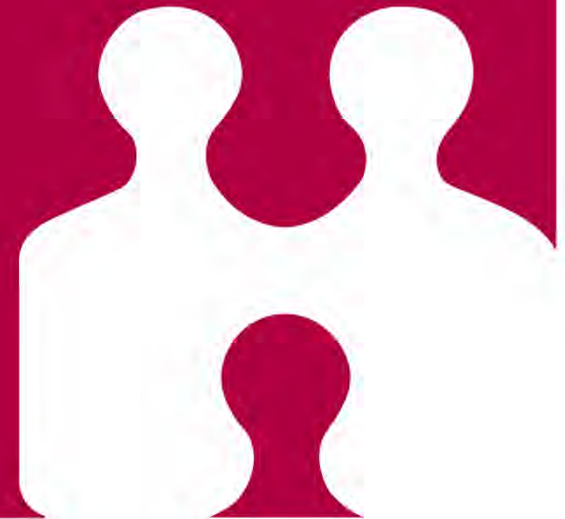
- Explain reason behind everything
- Reference the code
- Reference legislation
- Illustrate knowledge across the different competencies

Tips and Tricks

- Plan in advance and allocate time
- Separate word documents
- Snips
- Tables
- Reference the code
- Redact or Replace
- References
- Book a holiday for afterwards!

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Questions?



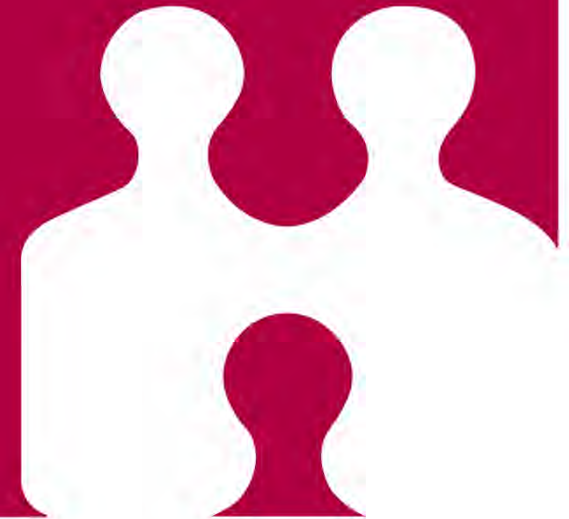
#ResFPODConf

LUNCH

#ResFPODConf

Narcissism and Divorce

Dr Supriya McKenna



What is a narcissist?

- Buzzword
- Narcissistic Personality disorder – NPD
- Real, diagnosable personality disorder
- Prevalence
- Specific pattern of behaviours
- Brain abnormally ‘wired’ in reaction to adverse upbringing – not ‘evil’/ ‘bad’
- Low empathy
- Sense of entitlement
- Addiction to feeling special
- Abusive behaviours
- Exploit others
- Covert psychological abuse

What is a narcissist?

- Low self esteem
- False persona = defensive shield
- External validation
- Attention
- Adoration
- Drama
- Conflict
- Need other people to believe in false persona so they can believe in it themselves



External validation = 'Narcissistic Supply'

- Emotional oxygen/fuel
- Needs to be kept at a constant level in the bucket to keep false persona strong, so don't have to feel / face true feelings
- When the levels of narcissistic supply drops, false persona suffers 'narcissistic injury'
- Existential crisis
- 'Narcissistic rage'
- Leads to attention, drama, conflict, fear
- Boosts narcissistic supply levels in bucket



'Narcissistic Supply'

- Multiple watering cans constantly pouring supply into bucket.
- Biggest most important watering can (source of supply) was partner.
- Loss of partner = decrease in supply = rage = desire to annihilate ex partner.
- Emotional abuse,
- Financial abuse,
- Legal abuse

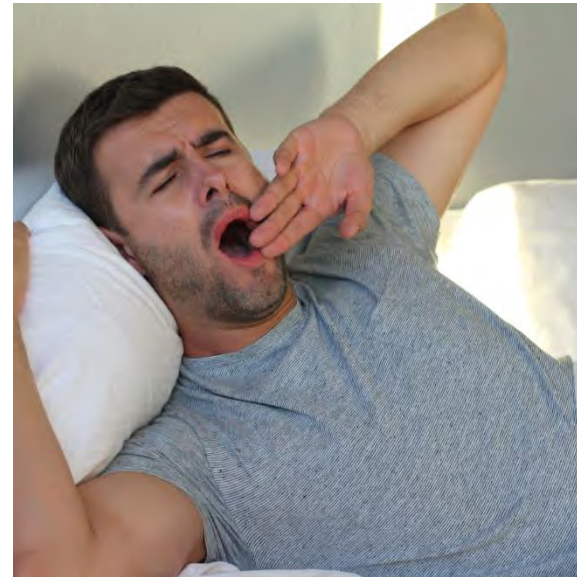


What does a narcissist look like in daily life?

- The Exhibitionist Narcissist
- The Devaluing Narcissist
- The Closet Narcissist
- The Altruistic Narcissist

Worker or shirker?

- Work hard - driven to be wealthy – exert financial power and control over partner
- Lazy – feel entitled to others to provide for them.



The Narcissist's Playbook

- Lack of empathy – but can be feigned
- 'Splitting' – all good/all bad
- Sense of entitlement
- Rules and laws don't apply
- Relationship to the truth
- Gas-lighting – leads to power imbalance
- Manipulation
- Playing the victim (convincingly)
- Need to win / have last word
- Narcissistic rage
- Need to control – coercive control



Abuse/control tactics during the marriage

- Preventing from working – to keep at home as reliable source of narcissistic supply
- Emotional abuse Devaluing/criticizing spouse so low self esteem (you are useless)
- Using generosity (bird in gilded cage)
- Not allowing full access to money
- Controlling how money spent
- Secretive about business ventures/ accounts
- If low earner, spending excessively without consultation



Financial abuse tactics in divorce

Reducing the lower earning spouses available funds

- Using children as weapons of financial abuse – stopping paying for education/extracurricular activities (guilt)
- Using the legal system as weapon of abuse – running up spouses solicitor's fees, insisting on court



Financial abuse tactics in divorce

Reducing the lower earning spouses available funds

- Wasting money on mediation
- Stopping paying for essentials
– mortgage, utilities
- Refusing to pay interim maintenance
- House sale: refusing to contribute to upkeep during sale



Financial abuse tactics in divorce ^{#ResFPODConf}

Removing money from marital pot



- Hiding/withdrawing/giving away money
- Forgoing/delaying bonuses
- Delaying invoicing
- Overpaying tax
- Friends/colleagues - falsely invoicing business
- Selling cars/assets at low value

Financial abuse tactics in divorce

Removing money from marital pot

- Driving down house price (if equity split in favour of the non-narcissist), encouraging low ball offers
- Pensions – drawing down 25% tax free lump sum before pension share, so all further withdrawals by partner are taxable and no more than £4K a year can be put into the pension (cf £40k pa).



Financial abuse tactics in divorce ^{#ResFPODConf}

Lying (Including in court)



- Claiming inability to work (illness/disability)
- Claiming early retirement
- Inadequate financial disclosure (Form E)
- Inadequate responses to questionnaire
- False allegations of abuse to run up legal costs
- Lying on the witness stand

Emotional abuse tactics in divorce

- Stalking (including cyberstalking, tracking and bugging, cameras in house)
- Harassment (unwanted contact)
- Intercepting/redirecting mail
- Threats (blackmail/ damage to property/ harm to pets/financial ruin/ suicide)
- Removing or destroying items of sentimental value (access to family photos)



Emotional abuse tactics in divorce #ResFPODConf



- Smear campaign – false allegations to partner’s employer/family/friends
- False allegations of abuse/violence towards them
- False allegations of parental alienation
- Badmouthing their spouse to the children
- Parental alienation
- Refusal to move out of house
- Openly conducting extramarital relationships

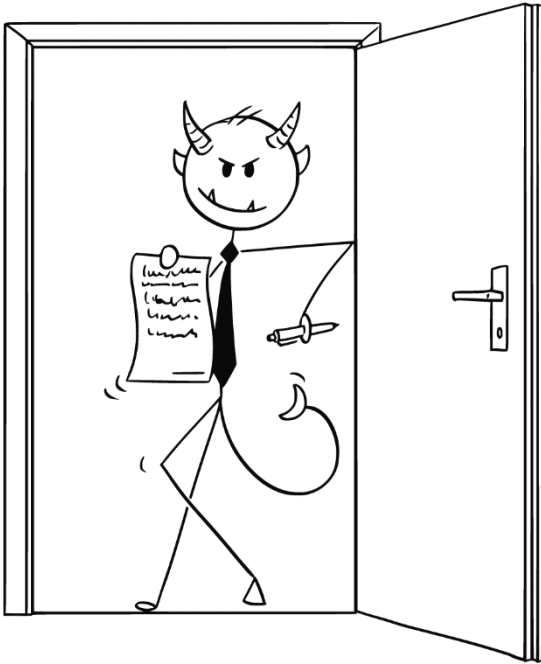
The non-narcissistic client will be in a constant state of fight or flight

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- Stress hormones (Cortisol/adrenaline) will be diverting blood away from brain to muscles.
- Difficult to think clearly
- Scared/ anxious/depressed/ angry
- Underconfident about earning capacity
- Complex PTSD (debilitating)
- Catastrophising about the future.
- Inclined to capitulate to narcissist's demands



After the divorce: Post-separation financial abuse



- Bombarding ex with threats, correspondence – emotional abuse affecting capacity to work
- failure to pay/lateness paying maintenance (enforcement – difficult when self employed)
- Court applications to downward vary/discharge maintenance

Post-separation financial abuse: Using the children

- Trying to increase time with children to reduce child maintenance.
- Refusal to contribute (school trips, dentist, extracurricular costs, tuition, learning disability assessments)
- University costs
- Destroying or refusing to return school uniform, kit
- Unilateral applications to private/boarding school (to make other parent pay half)



When your client is “catastrophising” they are probably right.

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- Clean break
- Accept that best financial outcome is not worth fighting for (emotional abuse)
- Accept that will have to become financially independent as quickly as possible, regardless of their order/term of maintenance
- Tight financial order

Tight financial order: Narcissists will exploit loopholes/grey areas

- Won't sign transfer forms for properties to cause delay, exert control
- Specify exact date child maintenance comes to an end (18th birthday? Later?)
- Consider floor figure for equity from house, agreement to take estate agents advice re: price

Let's talk about you:

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If your client is the narcissist

- Won't pay you /question invoices
- Will make complaints /report to professional body
- Will gaslight you/not give true financial picture
- Won't take your advice
- Will abuse you - devalue you, make you question professional judgement

Giveaways of a narcissistic client:

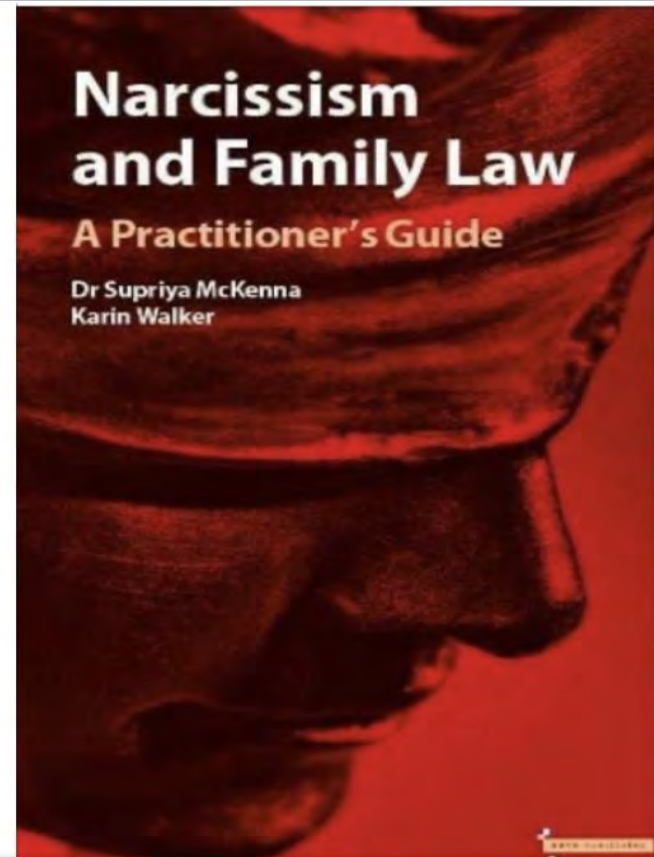
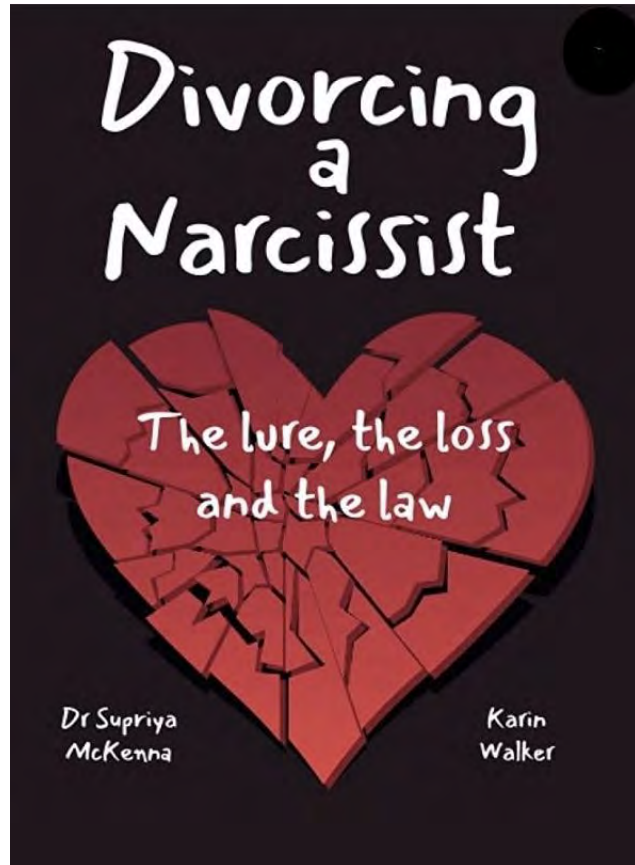
- lovebombing
- lateness
- control
- Sense of entitlement/need to win
- Boundary violations
- out of hours comms
- Expect instant responses

If your client is the narcissist – protect yourself

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- Everything in writing
- Including phone conversations
- Don't engage in the drama (narcissistic supply)
- Explain everything in terms of what is in their interests/how it benefits them
- Find a way to elegantly disengage

Resources



Resources

Top 5% Podcast

Narcissists in Divorce:
The lure, the loss and
the Law



Resources

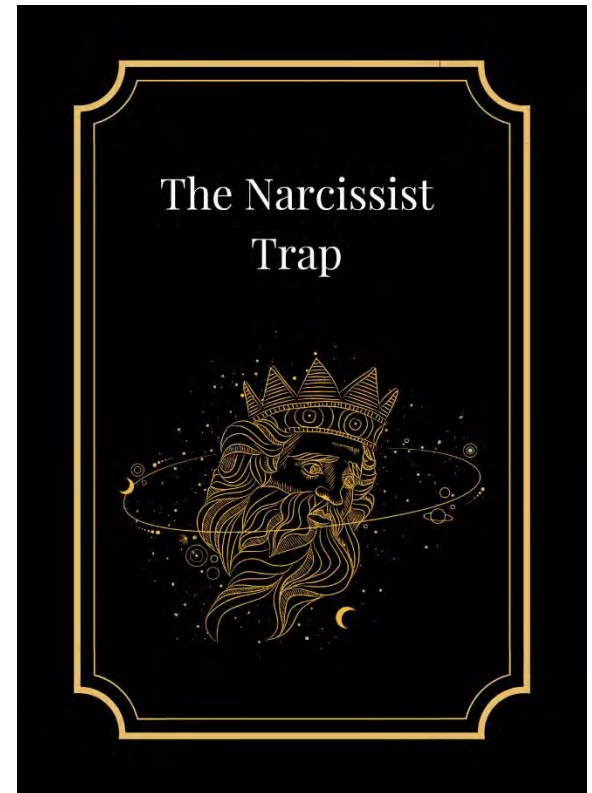
Online courses:

Is my partner a narcissist?

Demystifying the narcissist

DoctorSupriya.com

1:1 coaching/support



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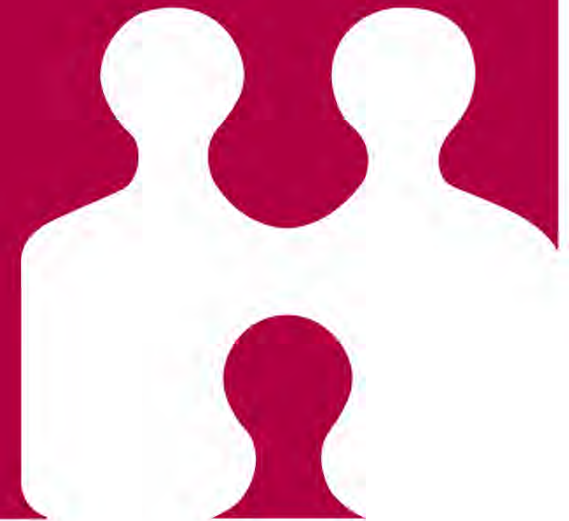
DoctorSupriya.com

Thelifedoctor.org

Twitter

Instagram

Linkedin



#ResFPODConf

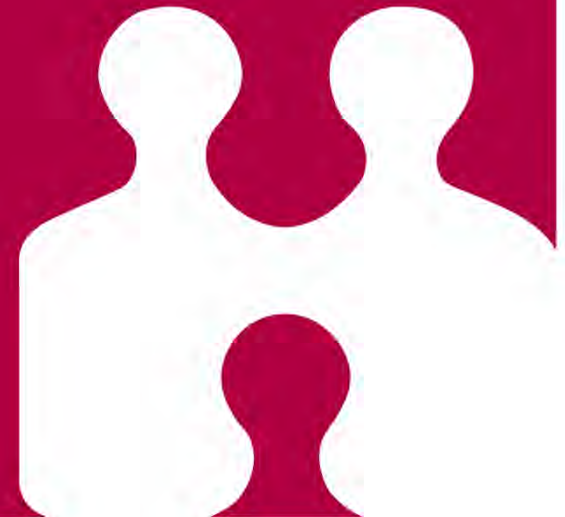
Building a Pensions on Divorce business within your practice

Mark Penston

Chartered Financial Planner

March 2023

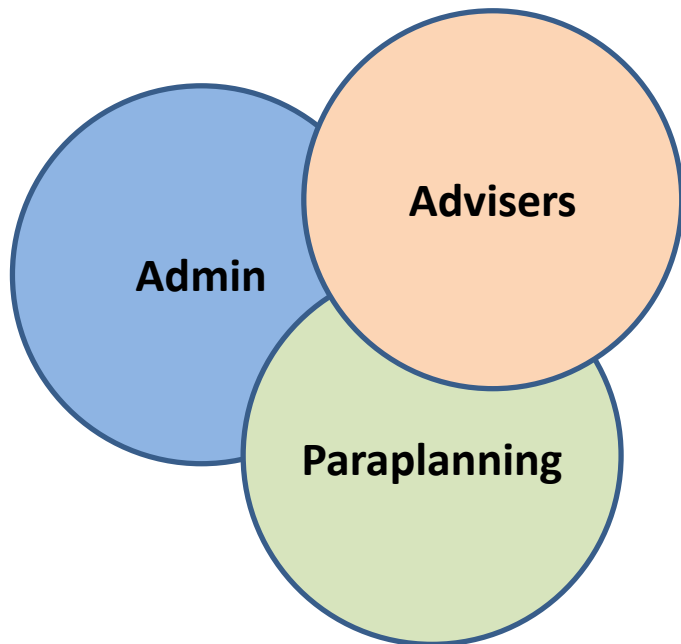
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Agenda

1. An introduction to Bluesky
2. The POD journey
3. Hints and tips
4. Getting more help

Who are Bluesky?



- We are Chartered financial planners not actuaries
- Fee only
- T/O circa £2M
- £170M FUM
- Client centric, Process driven

Who are Bluesky?



Mark Penston

- Founding director of Bluesky in 1997
- Pension on divorce work since Dec 2000
- Built and sold via MBO



Who are Bluesky?

POD stats last year....



> 550
enquiries



150
reports



25 clients



>£300,000
+ recurring

The Journey

Family Lawyers



Dec 2000

What do we do with pensions?

Pension sharing Reports



Do I need a PSR?

What do I ask for?

Help with the Form E

I've got a report and I can't make sense of it!

Have I missed anything?

How do I convince my client that they need one?

Actuary or IFA?

Have I got everything I need?

Do I include State Pensions?

How does offsetting work?

Is the offer enough?

Is the CE Correct / fair?

The Journey

Family Lawyers



What do we do with pensions?



Learning

1. Shortage of knowledge
2. SJE means 2 reports issued
3. No one else doing PSR's
4. Clients need guidance

Need
Get it right = more enquiries
Opportunity
Opportunity

The Journey

Getting better at what we did



1. Good pension knowledge
2. Good at marketing
3. Had good admin support
4. Reports in plain English



1. Legal context / jargon / process
2. Some pension aspects
3. Processes & delivery

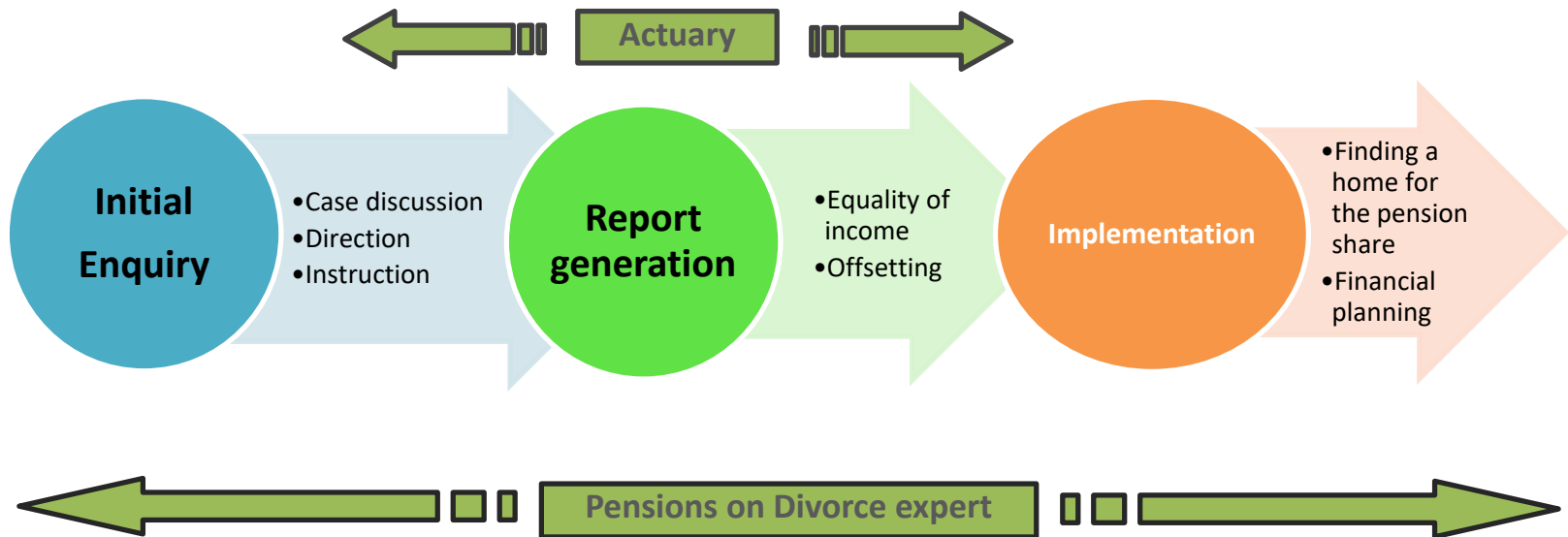


- Reading (tech and legal)
- Courses
- Joined Resolution
- Friendly lawyer one to ones



The Journey

To do Pension Sharing Reports, or not?



The Journey

Marketing

Reports



Training



Webinars



1:1 Meetings



Articles



Webinar Feedback

An informative webinar that was in plain English not full of mysterious pension jargon.

Geraldine @ Earley Solutions

the length was ideal, not too long to take time out of your day but informative with great links to very helpful information that Bluesky has provided for solicitors.

it was great and I have sung your praises with the rest of the firm! The chat box and answering our questions live too was great. Thanks so much, Mark
Jessica Reid Dawson Cornwell

Excellent webinar. This firm is there to help you. Good, practical advice.
Sue Ingram, Moss Fallon Solicitors

Bluesky experts help make this complex area more straightforward they help us to help our clients. Thank you. Jayne
Swanston Family Mediator

Enquiries

Client case discussion

What if....

Single joint expert reports
(SJE)

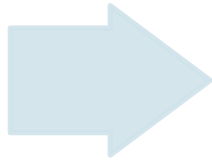
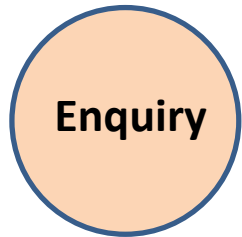
Financial planning

Understanding another
report

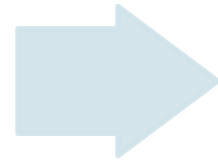
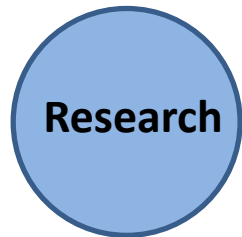
Implementation help

Litigants in person

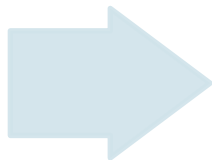
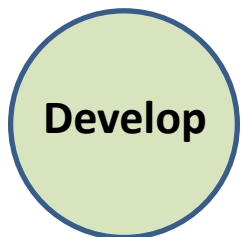
The Journey - Summary



- Tried a few cases



- Reading (tech and legal)
- Courses
- Join Resolution
- Friendly lawyer one to ones



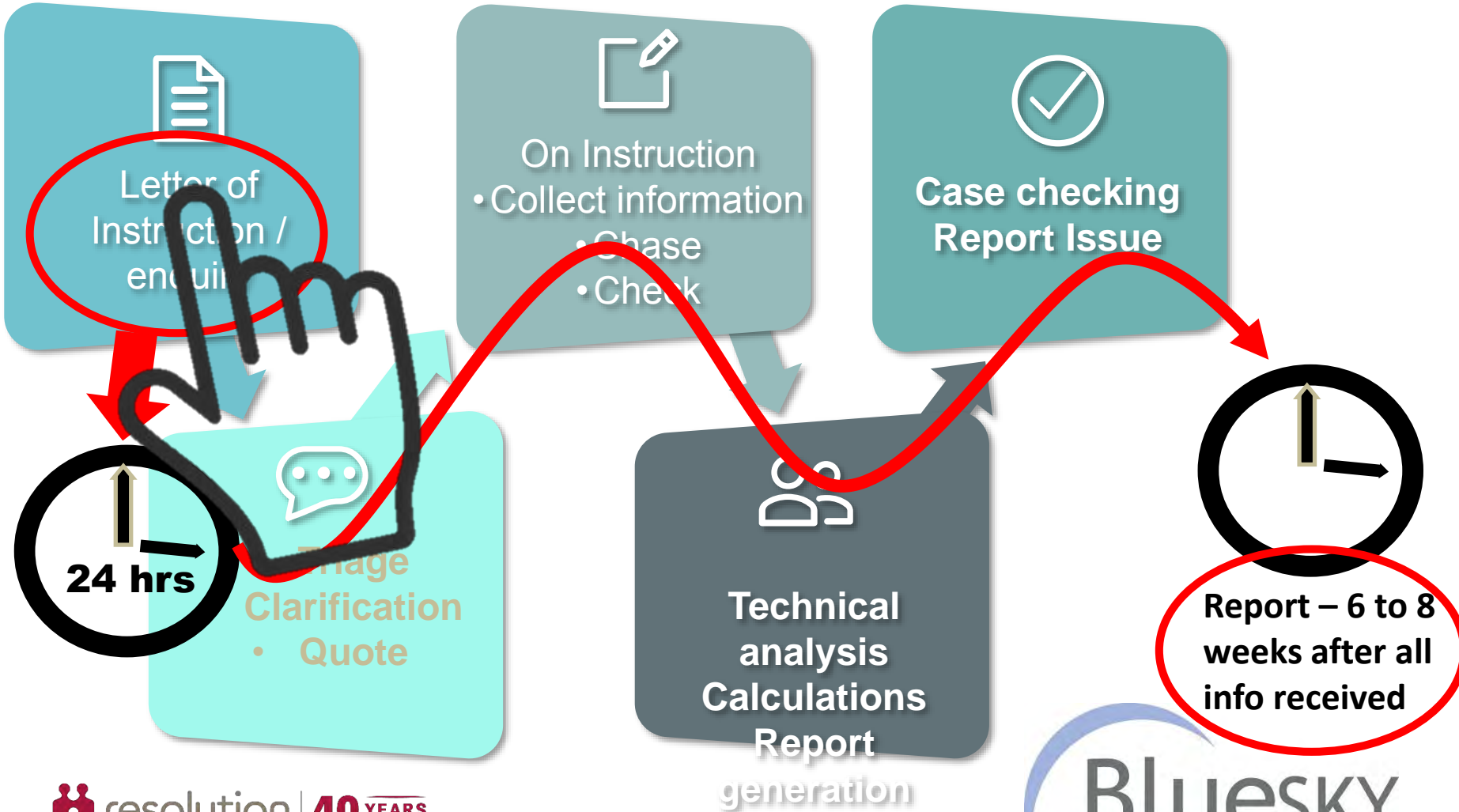
- Start Marketing
- Engage the team
- Document a process
- Templates

Hints and Tips

Is it for me?

1. Decide if it's for you and stick with it
2. Are you numerate?
3. Do you have IT / excel capabilities?
4. Do you have a desire to learn an new discipline?
5. Are you a good communicator?
6. Can you manage a conflict situation?
7. Do you have a team to help you?
8. Are you process driven?
9. How good are you at client contact / meeting deadlines?

Hints and Tips - Process



Hints and tips - Process

Stage 1 Pension Sharing Enquiry

DESCRIPTION
This is the first stage of the POD process and covers the Enquiry only, see stage 2 for the POD report process. All enquiry stages can be conducted by one of the following: A Court / A barrister / Solicitor (or support staff) / either of the separating parties. In the rest of the process it is the case, as never parties having direct contact additional consent below.

Author	Last Updated	Change
Jarvis Welch	11/12/2020	Original POD process broken into 2 - Enquiries and the POD report
Rob Starting	28/06/2022	

INSERT FLOW CHART SUMMARY

Index
Section 1 Now? Enquiry received
1a Via Email
1b Via Telephone call
Section 2 From Whose? 2a Enquiry received from Court / Solicitor or Mediator
2b Enquiry received from Separating couple direct
Section 3 Response? 3a Response to Court / Solicitor or Mediator
3b Response to Separating couple direct
Section 4 Recording the enquiry
What next?

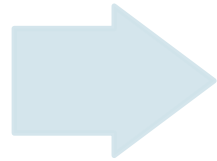
SECTION 1a	Email Enquiry received	Action
Step 1	Email enquiry will typically be received. Group Admin (typically via web enquiries) To a team member directly (typically a Financial Planner or Paraplanner)	Irrespective of whom received the enquiry, it is imperative at the earliest opportunity that it is recorded on AD. Admin - local solicitor record on AD. If no record add new row. Set up new Initial Contact activity with basic details and attach email from solicitor/client. Add new Lead to Lead History in AD
Step 2	Allocate enquiry to Adviser	Admin - If the enquiry has not been addressed to a particular adviser allocate the enquiry depending upon which adviser is available. Set the AD activity in Step 1 in the adviser's name and forward email to adviser to respond. (Note that Paraphrasing are now included in the gazetting process)
Step 3	Enquiry Accepted	Adviser forwards response to solicitor Group Admin to be added in the response email. Lead History in AD to be updated with expected fee and status changed to 'Proposed Sale Sheet'
Step 4	Enquiry Declined	Admin - using the information provided in the email locate the solicitor on AD. Add brief notes confirming the enquiry has been declined. Attach all email correspondence to the activity and close the activity. Close the lead and amend the comment section to 'No Sale agreement at this time'.

- All enquiries logged
- MI collated
- Conversation trail
- Uniform approach
- Scalable

Hints and tips - Being instructed



Letter of
Instruction /
enquiry



- Do you understand the instruction?
- Are there any ambiguities?
- Is the instruction reasonable?

Hints and Tips - Being instructed

5 → - To provide a report advising on the income to be received by each party on the basis of a 25%, 33%, 50%, 75% and 100% pension share, based on the current benefits of the parties' pensions;

1 → - The Pension Sharing Order or orders that would be required to achieve capital equalisation of the parties' pensions based on an assessment of the capital value of the parties' respective pensions;

? → - Please set out the offsetting valuation options available and an analysis of them, including highlighting any caveats and perceived advantages or disadvantages of a particular option, and state your preferred option on the facts of this case.

3,000 → - Please provide calculations to show the appropriate deduction that should be made from any proposed pension share for each £100 of cash retained by the other party (or alternative figure if you deem this more appropriate).

x2 → Please provide calculations for each party's pension share, including those calculated outside the marriage.

- Please consider the issue of capital equalisation.

- Please state the factors which are relevant to the calculation of the pension share, where there is to be some pension sharing and capital equalisation.

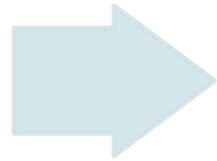
✓ → Any other issues which you feel are relevant or require consideration by either party

**Total calculations
120 to 30,000 !**

Hints and Tips - Being instructed



Letter of
Instruction /
enquiry

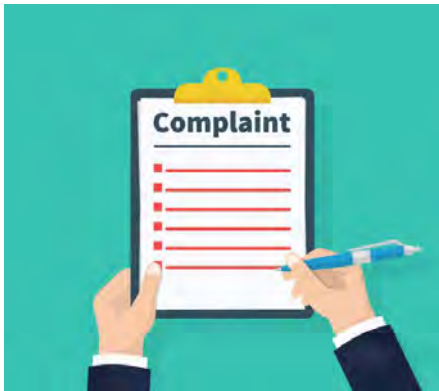


- Do you understand the instruction?
- Are there any ambiguities?
- Is the instruction reasonable?
- Will the lawyer and client understand the output?
- Clarify / repeat back / don't be frightened to challenge or suggest amendments.

Hints and Tips - Service

- Be responsive
- Nothing replaces a real conversation
- Set expectations
- Provide updates
- Deliver on time

Hints and Tips - Managing 'issues'



- Responsive
- Nothing replaces a real conversation
- Avoiding 'surprise, panic, blame'
- Address issues promptly

Hints and Tips - Client work from PSRs

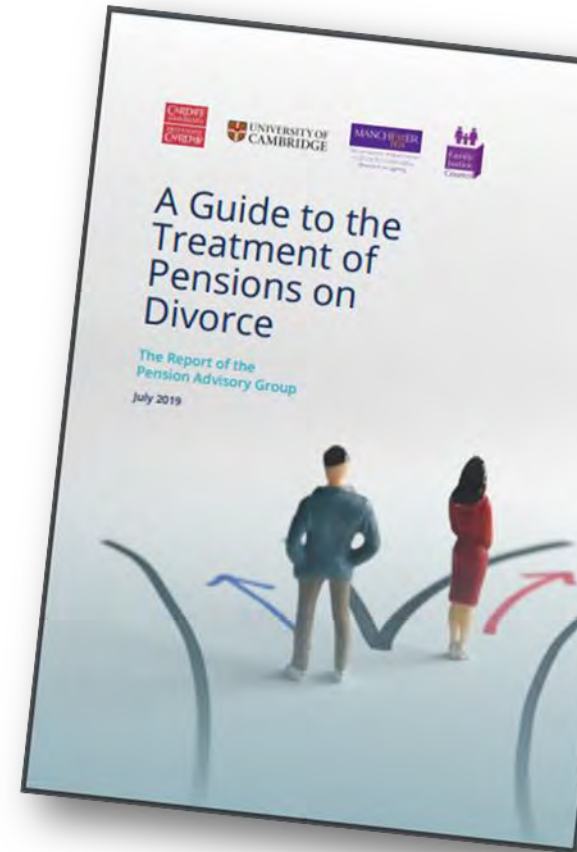
- Be careful
- Mention in PSR
- Offer 5 way calls
- Communication
- Seek shadow expert work / financial planning work

Summary

- Is this for you?
- Try some cases
- Have a process
- Market yourself
- Write plain English reports
- Give great service

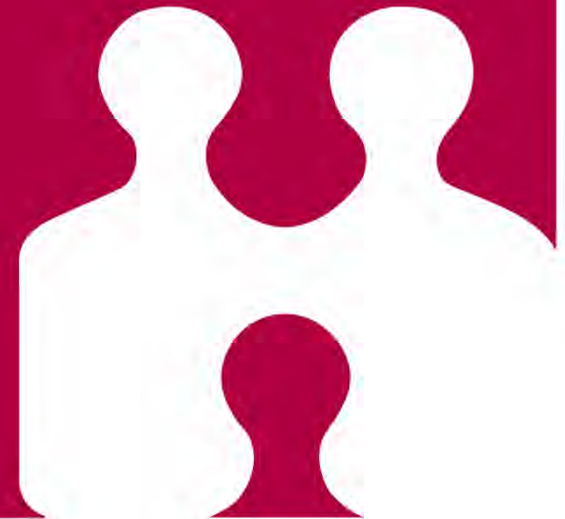
Help

- Read PAG
- Join Resolution
- Read family law publications
- Read reported cases
- Provider technical bulletins
- Read other Pension sharing reports
- Ask Bluesky



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Bluesky Chartered Financial Planners
March 2023

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07973221868



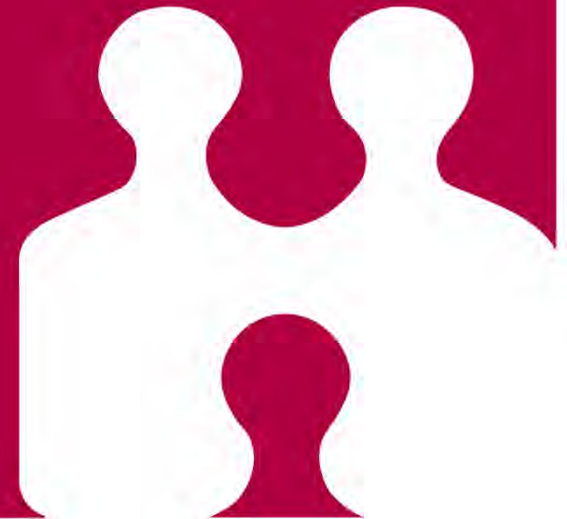
BREAK

#ResFPODConf

Financial Neutrals and PODES - A joined-up approach to assisting clients

Ian Hawkins

Financial Neutral / PODE



Agenda

- Background
- Financial Neutral
- PODE
- Financial Neutral and PODE

My Background

- 1989 – entered Financial services
- 1991 – started provided financial advice
- 2000 – 1st Pension Sharing Report
- 2001 – Chartered Financial Planner
- 2007 – Resolution Accredited Financial Adviser
- 2018 – co chair of Resolution Collaborative Working Party
- 2020 – established Southdown Consultants Ltd
- 2020 – established Oculus Wealth Management (Wombourne) Ltd

Current Work

- PODE reports
- Financial Advice
- Mediation Support
- Collaborative Law Support

Financial Neutral

- Regulated Financial Advice
- Mediation
- Collaborative Law
- PODE reports
- What is a Financial Neutral?

A financial neutral is a member of a collaborative divorce team or a mediator who helps couples find, organize and understand their financial information and facilitates a process of educating, visioning and creating a plan for settlement.

Financial Neutral - Pensions

- Explain the different types of pension in plain English.
- Do what a financial planner does best – help to visualise the future
- Explain the options available to the parties regarding pension sharing orders – internal / external
- Is offset an option?

But

- Difficult to visualise in times of stress
- Narrow down the options and seek clarity on the variable factors such as anticipated retirement age
- Reduce the variables for a PODE instruction
- Assist in drafting the PODE Instruction

PODE Work

Broad instructions

- Equality of Income
- Equality of Capital
- Non Pension Offset

Variables

- Retirement Ages
- Accrual Periods

With and Without a Financial Neutral

Without a Financial Neutral

- Eq of Income / Eq of Capital / Retirement at age 55 & 60 & 65 & 67 / All benefits and Relationship Accrual (H & W did not agree when they separated) / Offset.
- 15 different PSO outcomes

With a Financial Neutral

- Eq of Income / Eq of Capital / Retirement at age 55 & 60 & 65 & 67 / All benefits and Relationship Accrual (H & W did not agree when they separated) / Offset.
- 3 different PSO outcomes

Asking Questions and Crunching Numbers

- It is what we do as Financial Planners.
- Listen to the desires and objectives
- Problem solve
- Include the PODE only where necessary.

- Is there a need to involve if DC only?
- Do you need a full report where there is DB?
- Ask the 1% question.
 - If there is a 1% Pension Sharing Order against Scheme ABC what is the reduction in benefit for the one party and the benefit awarded to the other.
- You can do the rest

- Outcome is reduced cost on a PODE instruction and a greater revenue for you.

Working Together

- Use your strengths

and

- Include a PODE where necessary

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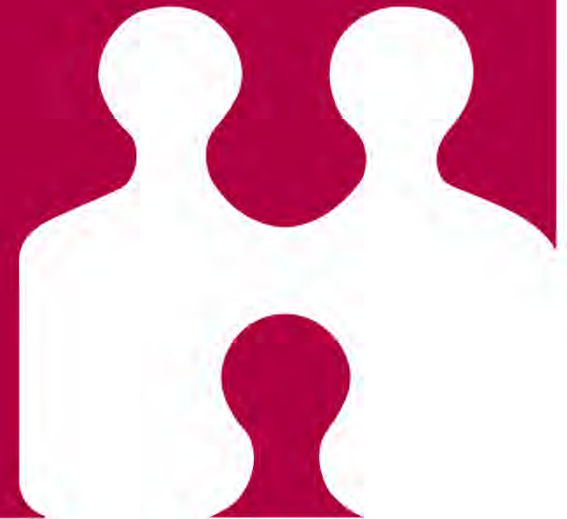
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#ResFPODConf

Cash Flow Modelling on Divorce

Tom Farrell, Financial
Neutral, Coach – Tom Farrell
Financial & Mediation



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Steve Hennessy, Conference Chair and Resolution Accredited Chartered Financial Planner – Beeswax Wealth Management Ltd

CLOSING REMARKS

THANK YOU!

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