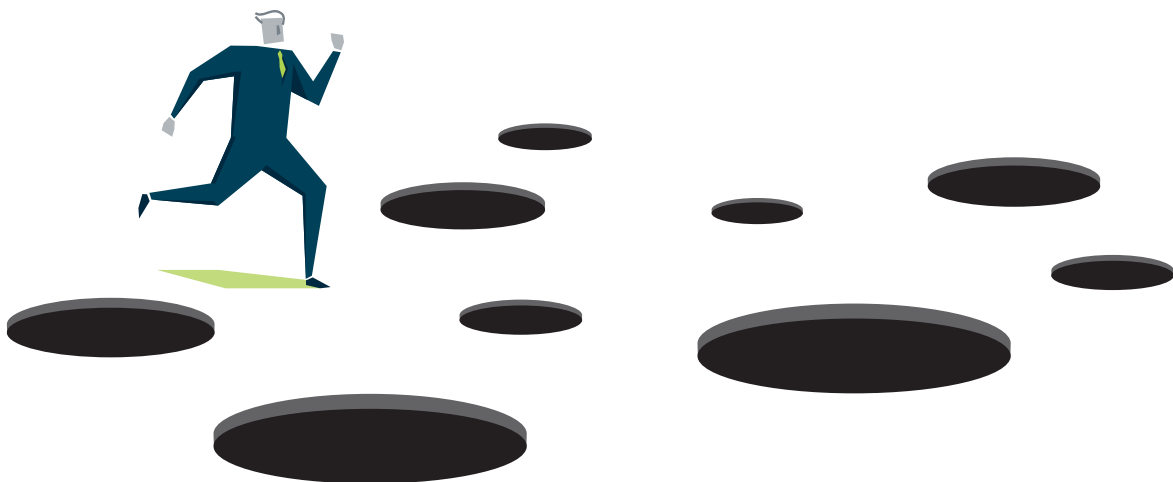




The 9 Pitfalls To Avoid On Divorce

**“At last I can say I have
found a family lawyer
who knows what they
are doing”**



1

Failing to protect your position at the start

It's vital to take the right steps at the start to ensure your spouse isn't hiding assets, or trying to stop you getting your fair share of them. If you don't, then you may find that you may get nothing or less than you're entitled to.

Example: I know of a case (not one of our clients) where the family home was owned in the husband's name. His wife didn't take the right steps to prevent the husband from selling it without her knowing. Instead, he then sold the house and put the sale proceeds into his company which he later claimed was insolvent. This meant that she couldn't get her share of the money from the house, so it was difficult for her to house herself.

It's vital to take the right steps to protect yourself at the start. This is important not just in relation to property, but also for other assets such as businesses, savings, pensions, investments, trusts and so on. I will help you understand fully your family's financial situation, even if you haven't been involved with this before. This will help you plan for your future.

2

Not getting valuation right

There are many different ways to value assets. You mustn't just accept the first valuation you're given by your spouse.

Your spouse might not be trying to deceive you, but the valuation may not be suitable when you are getting divorced.

Example: I was provided with a valuation of my client's husband's pension. The value we were given was £3m and it was backed up with documentary evidence. But we got our own expert to check the value of the pension – it was actually worth £6m! This revelation made a huge difference to my client's share of the overall assets. She received considerably more money, enabling her to get the house she wanted and live without any financial worries.

This is an extreme example but shows that using a correct valuation is vital. Correct valuation is also very important for other assets which can be valued in different ways, such as businesses, residential and commercial properties, farms, and shares and share options, for example.

3

Not getting maintenance right

Many people don't understand that they are entitled to maintenance (which is different from child maintenance). Many people accept a financial settlement which doesn't take this into account. This means they get less than is fair and it is hard for them to make ends meet.

Example: A typical scenario I see is where a couple agree the terms of a financial settlement (before coming to me) where their assets are divided on the basis of a "clean break" with no maintenance payable by one party to the other. However, when looking at their respective incomes and financial needs, they are entitled to ongoing financial support from their spouse in the form of maintenance (in addition to maintenance for any children). Often, the bigger earner will pressure their spouse - who will not be able to manage without maintenance - into agreeing a clean break.

To understand whether you are entitled to maintenance or not, as well as how much and for how long, you need specialist legal advice.

4

“Saving” money

I get it – no-one wants to pay legal fees. I hate paying them too! You’re bound to be worried about how much your divorce will cost and whether you’ll be able to afford a quality law firm.

But a good solicitor will actually save you money by maximising what you get as your divorce settlement. An investment in the best expertise will repay itself many times over with a much better outcome than if you had done things on the cheap by either doing your divorce yourself or using a “cheaper” solicitor.

By investing in good quality legal advice, you will also save a lot of time and money in the long run by avoiding the need to revisit issues that have been missed through a lack of expertise, or tackle the unexpected difficulties that inevitably crop up in nearly all cases.

Take the example above where I got the pension revalued. My client invested a couple of thousand pounds in getting the pension looked into and revalued. It wasn’t cheap for her to do that. But the benefit to her was that her settlement was boosted by millions which in turn made her life much easier in the long run.

Having a great lawyer who knows what they are doing is an investment in your future which will repay itself many times over, as well as save you time, money and stress.

5

Being too trusting

Nearly every new client I see says that they want to keep their divorce amicable. Often, they are worried about seeing a solicitor because their other half has said they don't need one or are scared that a lawyer is going to make things worse.

Nobody wants to go through the stress of going to court. Settling out of court saves time and money and avoids leaving important decisions in the hands of a judge. For these reasons, over 95% of my cases never require a judge to decide the outcome. I work hard to get what you're entitled to by agreement and as amicably as possible.

However, going to see a solicitor does not mean going to court. If your other half says you don't need a solicitor – DO NOT LISTEN TO THEM! Often, this is a last ditch attempt to control you so that it is easier for them to get the outcome that is best for them, not you.

Hopefully, this will be the first - and last - time you get divorced. The decisions you make now will have consequences for you for the rest of your life. It may well be that your other half is saying not to involve solicitors with the best of intentions. But I have seen first-hand many times when the other person is trying to pull a fast one. Typically, they will be trying to get you to agree a financial settlement without getting legal advice because what they are pressuring you into is unfair.

So, do yourself a favour, and get expert legal advice. It doesn't have to be from me, but make sure you get it.

Example: I recently saw a client who had agreed a deal with her husband without getting legal advice. He had convinced her it was a fair deal. On the face of it, to an untrained eye, it could have looked fair. She had then acted on this agreement and the family home had already been sold and the equity divided equally. What she hadn't taken account of was that fact that he had significant pension provision and much higher earnings, because she was the main carer for their son. Her husband was in a much stronger position than her and he was able to add to his larger pension going forwards. By investing in our expertise, she managed to get a fair share of her husband's pension and maintenance.

6

Letting the taxman take too much

I regularly see couples who fail to take tax into account at all, or don't structure their settlement in the most tax-efficient way possible. This often results in the taxman taking more than is needed and one or both people getting a smaller divorce settlement.

Example: one client had an offshore bond which needed to be divided as part of the divorce settlement. He told me that there wouldn't be any tax to pay if he cashed it in. I checked this and it turned out that it would actually be subject to income tax at the highest rate. If I had not looked at this, the bond would have been divided and my client would have ended up having to pay tax of about £190,000 from his share of the assets rather than split it!

It can be difficult to spot the areas where there might be tax issues. We are specialists at detecting tax issues and structuring your settlement so you pay less. Tax is a really complex area where expert advice is needed.

7

Not having the right strategy for you circumstances

Friends who have been through a divorce will inevitably have a few tips and will often give you advice without you even asking. Although well-intentioned, it is vital to remember that no two divorce cases are the same. The advice your friends received might have no relevance to your situation and could be completely wrong. Remember too that they are likely to have been through divorce only once, and don't have detailed knowledge of the law, or experience from thousands of previous cases.

Example: I get lots of people come to me saying that they want a clean break, often because this is what their friend had. But, very often, they have not given any thought to how they will manage financially and pay their monthly bills. Often, they have sacrificed their career to look after the family, so earn a lot less than their spouse. With the very best will in the world, it can sometimes

be impossible to achieve a clean break where the future standards of living between the two households are similar without maintenance payments being needed. Their friend might have been much wealthier and more able to afford to continue living at the same standard using their split of the assets instead of receiving maintenance.

What worked for someone else therefore isn't necessarily the best course of action for you. A divorce specialist can remove all the confusion and give you advice tailored to your specific circumstances and priorities.

8

Not planning for the future

Not thinking about what your settlement will produce by way of income, taking into account rates of return and tax, may result in you accepting a settlement which may not be sufficient.

Example: I had a client whose husband was offering her £1m. That's a lot of money. But when I looked at her lifestyle, the lifestyle they had enjoyed as a couple, and his income, £1m wasn't nearly enough to maintain this for the rest of her life. I managed to get this up to £2m. If she had accepted his deal without working through all the numbers, my client's standard of living would've halved.

9

Not choosing the right lawyer

Everyone tends to think their case is straightforward. But in reality, almost every divorce involves unforeseen issues that will seriously threaten the outcome if they are not handled correctly or spotted in time.

Not all divorce lawyers are the same. You get good ones and you get not so good ones, just as in every profession. Things to look for are:

- Do they offer a free initial telephone chat?
This is important so you can get a feel for them and they can understand more about what is worrying you.
- Will they tell you if they aren't the right fit for you and your situation? Honesty and transparency are important.
- Don't waste your time having a free first meeting. When was the last time you got something for free that was actually worth having?

- Do they offer a 1-hour, fixed fee meeting?
A first meeting takes an hour. This is so you can discuss your situation and concerns in detail, and then the options to sort things out can be discussed thoroughly.
- Don't waste your time having the free 30-minute meeting which most solicitors offer. 30 minutes isn't nearly long enough to work out how to fix the problems keeping you awake at night.
- Choose a solicitor or firm which is independently ranked as a leading family lawyer or firm
Chambers and Partners, and the Legal 500, are two independent guides which rank individual lawyers and firms after an extensive research process involving interviews with barristers, solicitors and clients.

About the Author

My name is Andrew Meehan and I am a solicitor and the Managing Director of Harrogate Family Law.

I have 20 years' experience of sorting out the very trickiest divorces and getting great results for my clients.

The people I help usually need my help because:

- they have a difficult spouse (often a narcissist);
- assets and income are being hidden from them;
- their asset base exceeds £1m;
- there are other complicating features such as: businesses, pensions, properties, trusts and/or high incomes.

I am an expert negotiator. I stand up for my clients and fight their corner so they get what they're entitled to - a fair split of the assets and income.

I am top-ranked each year by the Chambers Legal Directory as a leading family law solicitor. Some recent comments are:

- “Has the ability to put you at ease and help you understand how they are going to deal with the situation throughout the various stages of a divorce.” (2019 edition)
- “Well reputed for his experience in advising high net worth individuals...pragmatic and sensible”. (2018 edition)
- His “technical ability and cut to the chase approach make him stand out”. (2016 edition)

I am also recommended by the other guide to the legal profession, the Legal 500. Recent comments about me are:

- “Andrew Meehan is exceptionally knowledgeable and experienced and particularly adroit at ensuring the commerciality of outcomes. His advice is holistic 360 degree advice and is usually spot on”. (2020 edition)
- “Very thorough in [his] handling of cases, and a good listener to boot”. (2017 edition)

You are only likely to get divorced once in your life. So please don't leave your future and your financial security to chance by getting a solicitor who is not the very best at what they do.

Give me a call on **01423 594 680** for a free, no-obligation chat, or email me at:
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