



IFW Insights

Personal

## GUIDELINES FOR DISCUSSING LEGACY PLANNING

Created by the IFW in collaboration with Dennis Harhalakis of Cambridge Money Coaching.

A positive relationship with money includes making sure our loved ones will be looked after if something happens to us. One of the IFW's financial wellbeing pillars describes this as 'Clarity and security for those we leave behind.'

Money and mortality are both often felt to be taboo subjects, but taking steps to start this conversation can be a sincere, as well as a practical, form of love and respect.

Conversations of this nature are often emotionally loaded, sometimes with anxiety and biases we haven't yet understood ourselves, let alone expressed to anyone else. Due to this, tone and manner can easily become unintentionally negative.

The key is to prepare yourself and the person or people you're speaking to, so no one is caught unawares in a place where they don't feel they can speak openly. In other words, don't spring it on an unsuspecting family member in a busy supermarket.

### ***Topics you may need to talk about include the following:***

- Completing a will and all trust and nomination forms (and where your loved ones can find these documents).
- Any existing debts (and how these can be cleared).
- Estate planning (your total assets, including your home and/or other possessions, and how you'd like these to be dealt with).
- Designated legacy contact for digital data (this ensures the data on smart phones and computers can be accessed after you're gone, from photos to contact information. On an Apple device, the information on how to do this is here: <https://tinyurl.com/yeYtdmc3>. For an Android phone, the relevant information is here: <https://tinyurl.com/ye57efez>).
- Lasting Power of Attorney or LPA (why, and how this should be put in place – there are two types: a Property and Financial Affairs LPA and a Health and Welfare LPA. Find out more here: <https://www.gov.uk/power-of-attorney>).
- Or simply whether now is the time to appoint a financial advisor and/or financial coach.

***Some simple steps will help to lessen the stress and keep these potentially difficult conversations as straightforward as possible:***

- Let the relevant person or people know you'd like to have a conversation about your financial future, and that you'd value their input. Include anyone who will be directly impacted by the decisions you make and actions you'll take as a result.
- If this is your immediate family, it might be wise to discuss it with your spouse or partner before you both talk to any dependents.
- Choose a time and place that suits everyone taking part in the conversation. Ideally this should be somewhere quiet and private where you'll be able to focus without interruptions and have any relevant paperwork to hand.
- Make sure everyone taking part in the conversation knows before you get started the kinds of things it will cover.
- Be ready to explain what's prompted you to start this conversation (this could be anything from a friend or family member doing something similar to having been advised to have this chat by a financial coach, to the fact you'll sleep easier at night if you know your loved ones will be taken care of).
- Explain what you hope the conversation will achieve in the long-term.
- Keep in mind non-judgmental language that could help to keep the conversational tone calm (find examples on the next page).
- Plan in pauses that will allow for other people in the conversation to raise any concerns or share their thoughts.
- Be ready to listen actively (What are they actually saying? How are they saying it?) rather than simply waiting for your chance to reply.
- Prepare some thoughts about positive actions that could be taken following the discussion, and be ready to listen to other people's ideas about next steps.

It's a good idea to pause if your loved ones grow upset or need some time to take in everything that you have raised.

Tell them you will find another time to complete the conversation with them. This will let them know how important they are to the decisions you need to make.

## ***Non-judgemental language and actions – some statements that may help***

Remember that anyone involved in this conversation may have an emotional response. After all, you're asking them to consider you not being around anymore. The most helpful thing you can do is give them enough space in the conversation to have their say.

The following responses may help.

- Thank you for being honest with me.
- Can you help me understand what you mean?
- How do you feel about this?
- What I heard you say is. . . Did I get that right?

Try not to interrupt the other person. It may feel silly, but consider raising your hand if you can't get a word in.

It's a good idea to follow-up afterwards, perhaps a week later, to make sure everyone has understood the purpose and intention of the conversation, what it means in the long-term, and any actions that need to be carried out.

Factor in time for another discussion about the issues raised in perhaps six months or a year, and every six to twelve months thereafter.

This will give you and your loved ones the chance to check whether any wishes or financial requirements have shifted and adjust the plan as necessary.

All plans of this nature need to be adaptable, as our lives and circumstances change with time.