

If you have any questions please contact the Christian Stewardship Officer:



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For more information about Christian stewardship, visit the stewardship pages on the Diocese of Manchester's website: www.manchester.anglican.org

Legacies

an aid for discussion for PCCs



This pack has been produced on behalf of Manchester Diocesan Stewardship Committee. There is very little original work involved. Large portions have been taken from Chichester Diocesan Board of Finance. Legacy booklet, compiled by Ian Clark and designed by Dan Jones. and www.churchlegacy.org.uk

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(If a confidential survey is being distributed)

Once you have reviewed your situation, it would be helpful if you could complete the short enclosed survey, to let us know if you found this reminder helpful. The survey is totally anonymous and confidential – we simply want to let the wider church know how many of us have updated our wills.

(Additional paragraph for families with children under 18)

It is particularly important for parents with children to have reasonably up-to-date wills, in case a family tragedy happens. The wills can then make it clear who are the preferred guardians. Without written guidance the Courts may take time to decide the children's future, which can add to problems at a very stressful time.

(Additional paragraph for senior citizens)

Have you drawn up an Enduring Power of Attorney specifying who should control your affairs if you are suddenly struck down and need help from others you trust? They are simple and reassuring to draw up or revise at the same time as you re-assess your will.

On a slightly lighter note, did you know that people who write wills (average age at death is 78) tend to live a decade longer than those who don't (average age 68)? And those who leave a legacy to charity in their will live a couple of years longer still on average!

*Signed by Incumbent
and Churchwardens*

PS Our PCC members have already agreed to review their wills, to set an example to the congregation.

Sample letter to Church Members

Dear Mr & Mrs Smith

We are approaching all church members, asking them to review their wills and check that they are reasonably up-to-date. It's so easy for details about executors or beneficiaries to change (e.g. new grandchildren, new addresses). Having the wrong details may cause unnecessary extra complications and distress among the family after your death.

Reviewing the contents of your will every few years is not only sound financial sense, but also good Christian discipleship. Jesus talked a lot about using our money and possessions wisely, all on loan to us from God. Clearly suitable provision for your immediate family and dependants should be your prime concern. You may want to continue your lifetime's faithful support of your church and other Christian agencies after your death.

A will can include details of the type of funeral you would like (hymns, readings, flowers, eucharist, burial/cremation etc). These days many people include provision for a tribute fund so friends and family can contribute "in memoriam" to your favourite charity.

If you want more help about reviewing your will, or even writing one in the first place, we can provide you with more information to read at your leisure.

If your will needs substantial revision we strongly recommend that you consult a specialist probate solicitor. The cost of a totally new will is probably a lot cheaper than the eventual costs of sorting out poorly-drafted homemade or out-of-date wills. We have negotiated special rates for straightforward wills and codicils (amendments) with a couple of local law firms. More details from our *legacy officer Jessie Smith on 01888 345678*, who will answer your questions in complete confidence.

Why every Christian needs a will

As Christians, the Bible teaches us about God's overwhelming generosity to each one of us, especially in the gift of Jesus.

God provides all our wealth and possessions on loan, and expects us to enjoy them and be generous to others, particularly our families and those more needy than ourselves.

"Good people leave an inheritance to their grandchildren"

Prov 13, 22

Intro -

Why reading this might benefit your parish

Statistics about legacies in Manchester Diocese

Statistics about Manchester Diocese



The Bible and the Church of England on wealth & possessions

What Jesus said ...

"Don't store up treasures here on earth, where they can be eaten by moths and get rusty, and where thieves break in and steal. Store your treasures in heaven, where they will never become moth-eaten or rusty and where they will be safe from thieves. Wherever your treasure is, there your heart and thoughts will also be".

Matt 6, 19-21

"If you give, you will receive. Your gift will return to you in full measure, pressed down, shaken together to make room for more, and running over. Whatever measure you use in giving – large or small – it will be used to measure what is given back to you."

Luke 6, 38

What the apostles taught ...

If you are really eager to give, it isn't important how much you are able to give. God wants you to give what you have, not what you don't have. Of course, I don't mean you should give so much that you suffer from having too little. I only mean that there should be some equality. Right now you have plenty and can help them. Then at some other time they can share with you when you need it. In this way, everyone's needs will be met.

2 Cor 8, 12-14

Remember this – a farmer who plants only a few seeds will get a small crop. But the one who plants generously will get a generous crop. You must each make up your own mind as to how much you should give. Don't give reluctantly or in response to pressure. For God loves the person who gives cheerfully. And God will generously provide all you need. Then you will always have everything you need and plenty left over to share with others. As the Scriptures say, "Godly people give generously to the poor. Their good deeds will never be forgotten." For God is the one who gives seed to the farmer and then bread to eat. In the same way, he will give you many opportunities to do good, and he will produce a great harvest of generosity in you. Yes, you will be enriched so that you can give even more generously.

2 Cor 9, 6-11

Sample Legacy Policy

People will often only leave legacies if they think the church will use them for development projects, not simply to fund current operating expenses. So PCCs need to agree a policy on how legacy income will be spent, and then how this will be promoted to the congregation.

It is advisable to discourage restricted legacies. So the policy might be on the lines of:

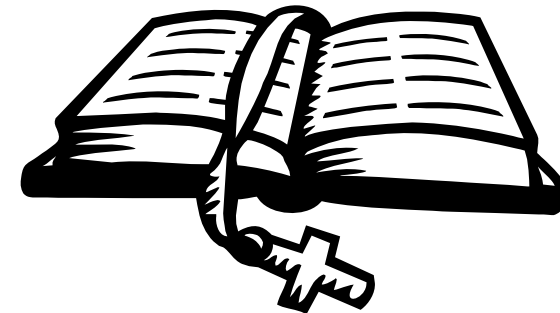
The policy of the PCC is to use legacies to help fund significant development projects in the parish, whether buildings, equipment or staff. As circumstances change over the years, it may not be possible to fulfil specific donor requests, so church members are encouraged to leave legacies for the general purposes of the parish. The PCC will discuss with executors the most appropriate use of the legacy in the light of current projects and the donor's known areas of interest in the church (eg children & youth, music, buildings).

Appointing a Parish Legacy Officer

The PCC should consider appointing a designated officer to encourage church members to keep their wills up-to-date and consider leaving legacies to their local church and other Christian organisations. Activity should be low-key and planned over the long-term.

See the leaflet in this series 'appointing a parish legacy officer' to find out more.

How the PCC can encourage people to review their wills



Things to avoid

It is recommended that you do NOT write to very elderly/frail church members, or those who have recently had a close family bereavement. Use sensitivity to raise the issue with some of these individuals at an appropriate time in a one-to-one pastoral conversation.

Parishes are advised NOT to make payments towards the legal costs of wills. Although some reputable charities do offer “free will” services, the church could be left open to possible legal challenges to any legacy because of its close pastoral relationships. Negotiating fixed price deals or other promotions with local solicitors is acceptable.

Parishes are advised NOT to ask their members for “legacy pledges”, even though this is a common practice among secular charities. Such pledges are not necessarily good indicators of future legacy receipts, and may place undue pressure on potential donors.

Churches are advised NOT to encourage legacies to the parish by providing blank codicil forms, as they generally only result in pecuniary legacies (like £500). It is better to encourage (small) shares in the residuary estate, to better protect against inflation. These days with word processors, solicitors usually revise entire wills rather than writing separate codicils.

Parishes are advised NOT to recommend DIY will forms from stationers, as there is no redress or insurance cover if anything goes wrong.

The wisdom of Solomon ... about riches and wealth

Everything we “own” comes from God ... on loan

In his old age, King David organised a huge collection to fund the building of the new temple by the next generation. Everything we have has come from you, and we give you only what you have already given us! We are here for only a moment, visitors and strangers in the land as our ancestors were before us. Our days on earth are like a shadow, gone so soon without a trace. "O LORD our God, even these materials that we have gathered to build a Temple to honour your holy name come from you! It all belongs to you!"

1 Chron 29, 14-16

Job said, "I came naked from my mother's womb, and I will be stripped of everything when I die. The LORD gave me everything I had, and the LORD has taken it away. Praise the name of the LORD!"

Job 1, 21

The English Prayer Book

The Church of England has always encouraged its members to keep their wills up-to-date. When Archbishop Cranmer wrote the first English Prayer Book about 500 years ago, he reminded parishioners to keep their wills up-to-date whilst they were still in good health, for their own peace of mind as well as to help their executors.

“And if he have not before disposed of his goods, let him then be admonished to make his Will, and to declare his debts, what he oweth, and what is owing unto him; for the better discharging of his conscience, and the quietness of his Executors. But men should often be put in remembrance to take order for the settling of their temporal estates, whilst they are in health.”

Facts and figures about wills & legacies

Recent research suggests that 57% of adults in the UK have not drawn up a will, including 40% of people with homes worth more than £150,000. Church members are probably fairly typical. Another survey said only 37% of working-age adults had a will, although this climbed to 71% for those who were retired.

Britons are not as generous as people in most other countries. At the moment only about one will in seven contains a charitable legacy, although this proportion is increasing slowly. A concerted campaign by the major charities amongst probate solicitors has raised the percentage of those who have included a charitable legacy in their own personal wills from 16% to over 40% in the last three years.

Legacy promotion pays!! UK charities receive about £1,500 million a year in legacies, making them the most cost-effective means of fundraising. So most well-established national charities regularly remind their active supporters about the benefits of legacies. As a result some leading charities get over half their voluntary income from legacies: e.g. RNLI Lifeboats 68%, Cancer Research 57%, RSPCA 67%, Guide Dogs 59%, RNIB Blind 50%, BHF Heart 52%, WWF 61%. These large charities are increasing legacy promotion budgets by 14% a year in real terms.

The Church of England has thousands of local parishes whose members generally give far more support in terms of time, skill and income to their local church than to other charities. So the Church might expect a similar level of income from legacies. But it does not, getting less than 10% of its voluntary income from this source. Although most church members are generous supporters during their lifetimes, it appears that less than one in five leave a legacy to their church, and few of these leave a proportion of their residuary estate, to give automatic protection against the ravages of inflation.

Nationally Church of England parishes received about 5,600 legacies in 2005 worth £40.9m. The number of legacies left to Manchester parishes was 145 worth just over £1m. The number of legacies is staying roughly

Organise occasional articles and news items about wills and legacies etc in the parish magazine or newsheets.

Ensure that local publicity focuses on the church's positive work and future developments that can be funded by legacies, with less emphasis on the mechanics of will-making.

Include legacies when listing the different ways in which people can support the church. Mention "Review my will" during annual stewardship renewal programmes and when specific appeals for restoration/development projects are launched.

Every few years organise a GoodWill or Legacy Sunday, or occasional sermons dealing with Christians' stewardship of both current and future wealth and possessions.

If people want to leave a legacy to the church/PCC, gently encourage them to leave a percentage of their residuary estate rather than a fixed amount of money (pecuniary). This is less likely to be eroded by inflation, and the will doesn't need changing as frequently.

Promote national legacy promotions like WillAid in November most years. The "Leave the world a better place - remember a charity in your will" campaign has been very active in recent years, See www.rememberacharity.org.uk

Encourage church members to use their wills to set up a Tribute or "In Memoriam" fund for their favourite charity or church, started with their own legacy. This could encourage family and friends to continue to support the founder's charitable interest after their death.

How the PCC can encourage people to review their wills

Parish research

Search through old PCC annual reports and accounts to find the names of donors and scale of any legacy income.

Research old parish magazines and histories to find interesting stories about past benefactors, and how their legacies have been spent. Take photos of items provided (eg lectern, hymnbooks) to illustrate leaflets etc.

Publicity

Tailor communications to the needs of typical life stages:

- Young families: encourage making first wills to protect and provide for children
- Middle-aged: review wills every 4 or 5 years or when significant family events occur
- Elderly: now next generations are well established, include legacies for favourite charities, preferably as shares in the residual estate
- Very elderly: encourage to make an Enduring Power of Attorney (EPA)

Agree the most appropriate ways in which to remember all legators to the church, eg

- book of remembrance specially for legators
- clear thanks to legators in the annual PCC report and accounts, and how legacy used
- get family's permission to advise local press about each legacy and how it will be used

static, although the value is rising. The majority of legacies are pecuniary (fixed amounts of money), but the majority of the value comes from residuary (share of the remainder of the estate) legacies. Parishes that over the years have promoted legacies are more likely to receive them!

If someone does NOT write a will, the law of the land provides a complex formula that the courts have to administer – almost certainly different from what the person themselves would have wanted. Appropriate executors may not be appointed, and friends and favourite charities will not receive anything.

Many people typically write their first wills in their 50s, and start to include charitable legacies when they revise them in their 60s onwards. But it is important that younger people are also encouraged to write wills. Marriage cancels any previous wills, and it is important for parents to set out what should happen to their children if tragedy strikes.

The average age at death in England and Wales is 80 years for those people who had left a gift to charity in their will. This compares with 78 years for those people who had not included a charity, and just 68 years for those who had died without even having written a will. Legators to charity live longer!

Sources: A wide variety of sources have been consulted in compiling the above data, including HM Revenue & Customs, CAF, Archbishops' Council, Legacy Promotion Campaign, Legacy Foresight, Smeed & Ford, Centre for Interfirm Comparison, AXA and Standard Life.

Why review your will?

Ever since the first edition of the Book of Common Prayer nearly 500 years ago, the Church of England has encouraged people to ensure their will is up to date. Why?

Well, if you don't leave an up-to-date will it can cause needless problems and expense for your family and executors after your death – and possibly even family disagreements.

It will almost certainly cost more time, trouble and money to sort out than the time and effort it will take you to make or revise a will in the first place.

- It gives you absolute peace of mind that your current wishes will be carried out
- It ensures that any young children or other dependants you care for will be looked after as you wish (eg appointing guardians)
- It ensures your treasured mementos (eg jewellery) will be given to the particular individuals you want to receive them
- You can specify the type of funeral service you want
- It reflects the latest circumstances of your family and friends
- It is the only way to ensure support for your favourite church and charities

Most people need to review their will at least every five years, to check that it is still reasonably up-to-date. Why not make a mental note to do it at every birthday that ends in “0” or “5”? Other events that may trigger a review are major life events in the family – births, (re-)marriage or divorce, deaths, house moves, step- or grand-children etc.

Keeping wills reasonably up-to-date is not only sound financial management, but good Christian discipleship. Most Christians pray about how much they will regularly give to their local church and other Christian agencies, so we need to pray that God's will may be done as we allocate the assets God has given us on earth when writing our wills.

Some ideas for the PCC to discuss

Explore the most appropriate approaches to encourage the rest of the church members to review their wills. Consider using different approaches to younger families, retired members, very elderly, fringe members, “Friends” etc.

Decide how and when to include something specific about leaving legacies to the PCC, as the culmination of committed lifetime giving. “Give now – pay later!”

Decide whether to write individually to any of the above groups. Research shows that most people are happy to receive low-key reminders about reviewing their wills and leaving legacies – they are used to receiving them from many larger charities, and even radio and TV adverts.

Arrange for a “Wills and legacies” item on the PCC agenda at least once a year.

Appoint a Parish Legacy Officer, or agree a joint appointment with other local parishes. Resist the temptation to add yet another job to the treasurer's existing workload.

Agree whether all PCC members will review their personal wills, to provide a leadership example before challenging the rest of the congregation.

Possibly use an anonymous survey form as a method of measuring the PCC and congregation's response. Publicise the overall results.

How the PCC can encourage people to review their wills

At this stage the object is simply to challenge every adult church member to review their will to ensure that it is up-to-date, and fully reflects their current wishes.

PCCs are asked to discuss how best to encourage church members to review their wills in their local circumstances. Each PCC is encouraged to develop a policy of how potential legacies will be used for the development of the church's ministry and facilities. And then to explain this to parishioners, as encouragement for them to remember their church in their will. It may be appropriate for every PCC member to undertake such a review personally, to provide leadership for the rest of the congregation.

Decide which of the following actions might be appropriate locally – there are sufficient for several years of low-key activity. Pastoral sensitivity towards each individual church member is critical.

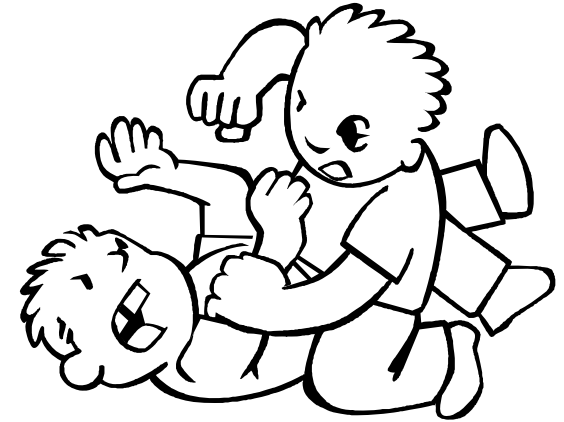


You are advised to get independent professional advice when making or substantially revising a will. Most solicitors charge under £50 to revise a will, and under £100 for writing a fresh will, assuming you do not have a large or complex estate. Many lawyers quote a fixed price for straightforward wills, and will offer a discount if your partner needs a mirror will at the same time. If you have a low income, it may be possible to get free or cheap legal advice – ask your Citizens Advice Bureau. Many solicitors are prepared to visit you at home if necessary. Age Concern have a postal will-writing service for straightforward wills.

Making a will is also an opportunity to make a gift to the church or charities that you have supported in your lifetime. Rather than making pecuniary legacies - fixed amounts of money like £750 – it is generally advisable to leave most legacies as shares of the residue of your estate (after debts, taxes and expenses) – for example X% to person A and Y% to charity B. Residuary legacies suffer less from the ravages of inflation, and save you having to amend your will so frequently as your financial circumstances change.



Dying without a will, who gets what?



If you don't write a will at all (the lawyers talk about dying intestate): Your possessions will be divided only among certain close relatives under a complex legal formula. Partners and children do not necessarily automatically get all of the estate, and unrelated friends get nothing.

- The Court will appoint someone from amongst your family and friends to act as Administrator of your estate – not necessarily the most appropriate person, and they get no recompense for this task they are assigned.
- There is no opportunity to try to minimise the amount of Inheritance Tax payable – there are quite legitimate ways to reduce your eventual tax bill through a will.
- A surviving spouse may have to move to a smaller home to pay the various bills
- You cannot specify which relatives and friends should get your most treasured mementos as they will need to be sold off, probably cheaply in a house clearance.
- The church and favourite charities you generously supported during your lifetime will get nothing.

The following guide is slightly adapted from Law on the Web © www.lawontheweb.co.uk. Correct as at Dec 2007. See also www.hmrc.gov.uk/manuals/ihmanual/IHTM12111.htm

If you have a spouse (ie you are legally married or have a registered civil partnership)

If your estate is worth less than £125,000 then your spouse gets everything. If your estate is worth more than £125,000 and you had no other surviving relative (eg children, grandchildren, parents), then your spouse will still get everything after tax.

If you have a lawful spouse, plus children

If your estate is worth less than £250,000 then your spouse gets everything. If your estate is worth more than £250,000 then your spouse would get £250,000 and a life interest (ie the right to take interest on the remainder, but not the capital itself) in half of anything over this sum. Your children would

get half the sum over £250,000 immediately and be entitled to the other half on the death of your spouse. Should any of your children die before you then their children would be entitled to take their parent's share.

If you have a lawful spouse, no children, but have parents / brothers / sisters / grandparents / aunts / uncles

If your estate is worth less than £450,000 then your spouse gets everything. If your estate is worth more than £450,000 then your spouse would get £450,000 plus half the balance. The remaining half goes to the other relatives in this order of priority - parents; brothers/sisters; half brothers/sisters; grandparents; aunts/uncles; spouses of aunts/uncles.

If you are not lawfully married or in a civil partnership, but have had children

Your estate will be shared between the children. Should they die before you then their children would take their share.

If you are not lawfully married or in a civil partnership, have no children, but have parents or have had brothers / sisters / grandparents / aunts / uncles

Your estate will be shared equally amongst them in this order of priority - parents; brothers/sisters; half brothers/sisters; grandparents; aunts/uncles; spouses of aunts/uncles. If any of these have predeceased, but have living children then the children will take their parent's share.

If you are not lawfully married or in a Civil Partnership, and have no other relatives

Your estate will go to the Crown, in practice the Treasury.

It should be noted that these rules on intestacy do not recognise "common law" partners, and that "children" includes natural, adopted and illegitimate children, but excludes step-children.