

## **Pensions on Divorce**

There are many occasions when parties have been married for a number of years usually with the wife having either a career break or being a stay at home mother in order to raise the family.

In these cases the focus during the marriage is to build up the husband's pension pot which will then benefit the couple in retirement.

Wives are often misled by husbands during divorce to believe that they have no interest in their husband's pension as it is in the husband's sole name. This is not the case at all.

A wife who contributes to the marriage by raising the children and keeping the family home is seen as having made as equal a contribution to the marriage as the husband.

In some cases pensions are not big enough to be worth sharing and in those cases we are able to off-set the value of the pension as against other assets in dispute to ensure that none of the assets are over-looked.

The court now have the power to split up a pension fund to establish two independent funds which each party will be able to continue to contribute to and draw upon at different stages. This means that the wife does not have to wait until the husband's retirement to draw on her pension and equally means that a husband can continue to contribute to a scheme after it has been shared in order to make up the deficit without the wife benefiting twice.

The rules in relation to pension sharing are complex and in cases of large pension funds and additional benefits within schemes it is necessary to take financial advice from an Actuary to ensure that an appropriate division is made.

We have links to local Actuaries and Financial Advisors and experience of dealing with all types of Pension Schemes to ensure that we are able to ensure the best settlements for our clients.