

MKC Wealth

Financial Planning on Divorce

Your guide to navigating your finances on divorce



Professional
Services

We turn confusion into confidence.

Divorce can feel overwhelming, especially when you are faced with financial decisions you may not have had to think about before. We take the time to explain things clearly and simply, so you can feel more confident about the choices you need to make.

You don't need to understand everything straight away. We can help you make sense of the financial decisions ahead, from pensions and mortgages to what your longer-term future might look like.

We've supported many people through the financial side of divorce, so we understand that everyone arrives with different questions, concerns and priorities. As specialist financial planners, we have a Pensions on Divorce Expert (PoDE) who can help make sure any pension sharing order is put in place efficiently and without unnecessary delay.

This guide is here to make things clearer and answer some of the questions people often have at this stage. Whether you are thinking about how money and assets may be divided, how to keep your finances on track, or what a financial settlement could mean for you, it offers straightforward guidance to help you plan your next steps.



“Confidence grows every time you understand a little bit more.”

We appreciate that concerns about snowballing costs can sometimes make people hesitant to seek financial advice. However, once you have secured your financial settlement, it is important to feel confident that it is being managed in the right way for your future.

That is why we offer an initial discussion at no cost.

Clients often tell us they leave these conversations feeling reassured and more confident, with a clearer sense of the options available and the support that may help them move forward.



We are specialists in financial planning on divorce.

No two divorces are the same. What matters to you, what you need now and what you want life to look like afterwards will be personal to you. Our role is to help you understand your financial position and make decisions that feel right for your circumstances.

Divorce can bring significant changes to your financial circumstances. Your income, expenses, priorities and long-term goals may all need to be reviewed. Our role is to provide calm, practical support to help you move forward with greater confidence.

For example, during divorce, it is natural to focus on the family home, but pensions are often one of the most valuable assets. We will help ensure pensions, savings, investments and other assets are properly considered and valued, and that any tax implications are taken into account, such as those arising from selling a property or investments.

Your day-to-day finances may look different after divorce. We can help you understand your revised income and outgoings, consider different options, and plan for a lifestyle that feels realistic and sustainable.

We will also guide you through practical steps such as reviewing insurance, updating wills and considering trusts where appropriate. This may include planning for maintenance payments, children's education, future inheritance or other family priorities. We can also help make the process clearer by explaining your options, supporting you with the practical paperwork and helping you make informed decisions at a pace that feels comfortable for you.



“When life changes, a clear financial plan can give you the confidence to move forward.”



Why are pensions so important?

Pensions can be one of the most valuable assets in a marriage, yet they can sometimes be overlooked when attention is focused on more immediate concerns, such as the family home.

They can also feel complicated. Our role is to make them easier to understand, so you can see how they fit into the wider financial settlement and make informed decisions about your future.

The five steps provide a simple starting point. Scan the QR code below for further information and guidance on our website.



01

Building your knowledge

You don't need to become a pensions expert. Understanding the basics, the different types of pension you have and the options that may be available can make the whole process feel less daunting. And if something doesn't make sense, ask us. There really is no such thing as a silly question when it comes to your financial future.

02

Collecting information

To help work towards a fair financial settlement during divorce, both parties will usually need to gather details of their pension arrangements, along with information about other financial matters such as the family home, investments, income and regular outgoings. It is helpful to provide full and accurate details of both state and private pension arrangements for each party. If this information is difficult to obtain, or if there are concerns about sharing it, there are legal provisions that can help. These rights are set out in The Pensions on Divorce etc. (Provision of Information) Regulations 2000 (Statutory Instrument 2000/1048).

03

Exploring your options

Once you have identified your pensions, the next step is to explore how they may be considered as part of a divorce and financial settlement as pensions can be one of the most important and sometimes most complex assets to think about during divorce. Taking time to understand the available options can help give you greater confidence and work towards long-term financial security.

04

Pension report

Understanding how a pension report may help and deciding whether it is needed during divorce is usually something to discuss with your family lawyer, who can help you decide whether specialist pension advice would be useful.

05

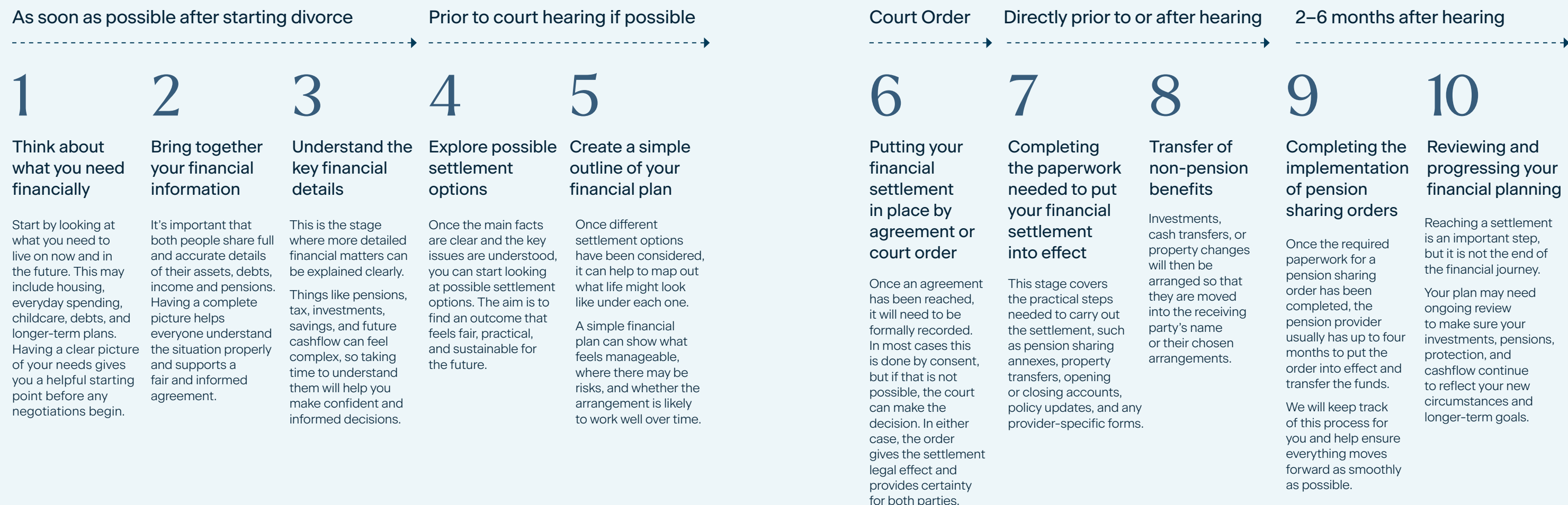
Reaching a decision

Considering your options and working towards a fair outcome is so important during divorce. Pensions can be one of the most valuable assets to consider, and it is understandable if the process feels unfamiliar or detailed. Once the relevant information has been gathered and the options are understood, the focus can turn to making a fair and informed decision that supports your longer-term financial wellbeing.



The journey of a financial settlement.

It can be difficult to know what happens next, particularly when you're dealing with unfamiliar language and important decisions at the same time. The journey below shows how the financial settlement process can unfold, one step at a time.



Financial settlements

Your financial settlement is about much more than dividing assets. It is about understanding what you will need for the next chapter of your life, from where you will live to how your income, savings and investments can support you.

What happens to the family home?

For many people, the family home is about far more than its financial value. It may represent stability, memories and, where children are involved, a desire to keep life feeling as settled as possible. At the same time, the home and pensions are often two of the largest assets to consider, so it is important to understand how decisions made now could affect your longer-term financial security.

It is also natural to feel a strong emotional attachment to the family home. That can make decisions harder, particularly when the immediate need for security and stability feels more pressing than longer-term financial planning.

Options for the family home

- Sell the property and divide the equity: This can allow both people to use their share of the proceeds towards a new home. The split may not always be equal, particularly if children's housing needs or mortgage affordability need to be taken into account.
- Buy out the other person's share: One person keeps the home by buying out the other's interest. This may be funded through a mortgage, savings, or by offsetting against other assets such as pensions.
- Deferred sale (Mesher Order): In some cases, the home can be kept for a period of time so that one person and the children can continue living there until a future event, such as the children finishing school. The property is then sold and the proceeds divided at that stage.

Division of savings and investments on divorce

Savings and investments built up during the marriage—such as bank accounts, ISAs, shares, bonds and investment funds—are usually considered as part of the overall financial settlement.

They are divided in a way the court considers fair, which may not always mean a 50/50 split, even where an account or investment is in one person's name. Both parties will usually need to provide full financial disclosure. Taking financial and legal advice can help ensure assets are valued properly, tax points are understood, and any agreement is recorded in a legally binding consent order.

Assets owned before the marriage may be treated differently, depending on the circumstances and how they were used during the marriage.

For joint bank accounts, you may want to speak with your bank about practical safeguards, such as requiring both parties' agreement before withdrawals or temporarily pausing access while arrangements are discussed. It is sensible to speak with your solicitor first so any steps are appropriate and proportionate.

Other issues

If you are going through, or have recently gone through, a divorce, it may be a helpful time to review your will or trust when you feel ready. Under the law of England and Wales, divorce does not automatically cancel your will. However, once the divorce is finalised, your former spouse is generally treated as if they had died on the date of the divorce. This means it may be worth updating areas such as beneficiaries, executors and, if you have children, guardianship arrangements.

You may also wish to review any trusts where your former spouse is named as a beneficiary or trustee. This can be particularly important where trusts have been set up for children, as they can provide a useful way to protect funds and give clear guidance on how those funds should be managed.

Other important documents to review

It can also be helpful to check whether any other legal or financial documents still name your former spouse, including:

- Powers of Attorney: These help ensure that someone you trust can make healthcare decisions and manage financial matters on your behalf if you are unable to do so.
- Life Insurance and Pensions: You may wish to update nominated beneficiaries so your policies continue to reflect your current wishes.

You may also want to consider whether protection plans are needed in respect of any maintenance payments. A broader review of your existing financial arrangements can also help ensure they remain suitable for your needs, priorities and objectives.



Considering settlement offers: Ensuring financial security

Worrying about money is very common during divorce. You may be trying to understand what you need now, what life might look like in the future, and whether a proposed settlement will give you enough financial security. We use careful cashflow planning to help you explore your options clearly and calmly, so you can make decisions with greater confidence as you move forward.

What is cashflow planning?

Cashflow planning looks ahead at your financial position over time. It takes into account things such as income, spending, savings, pensions, property, debts and important life events. This can help you see how the choices you make today may affect your financial wellbeing in the years ahead.

For many clients, cashflow planning can provide:

Clarity – a simple year-by-year view of how your finances may develop.

Reassurance – a better understanding of whether your plans feel realistic and sustainable.

Confidence – the opportunity to explore different possibilities before making important decisions.

This can be especially helpful when considering settlement options. For example, you may want to understand whether keeping the family home is affordable, how a pension share may support you in retirement, or how different choices could affect your day-to-day lifestyle over time.

Rather than giving a single fixed answer, cashflow planning helps you compare options in a practical and visual way. It can make complex financial decisions feel easier to understand and can support more informed conversations with your solicitor and financial adviser.

Planning after divorce

Cashflow planning can also support you after the divorce is finalised. It can help you prepare for next steps, such as selling or downsizing from the family home, implementing a pension sharing order, planning for retirement, or working towards new financial goals. As your circumstances change, the plan can be reviewed and updated so it continues to reflect your life and priorities.



“A settlement is a number. What matters is the life it allows you to build.”

Would you like a chat?

If you feel we may be able to help, we would be very happy to arrange an initial conversation or meeting, at no cost and with no obligation. This gives us an opportunity to understand your circumstances, objectives and concerns, explain how we may be able to help and agree what support would be appropriate.

At the outset, this may simply mean explaining how the process works, for example how to implement a pension sharing order, so that you feel informed, supported and better placed to make the important financial decisions ahead.

We can speak by phone, online meeting (Teams or Zoom), or arrange to see you in person at a convenient location near you—whichever feels most comfortable for you.

If it would help, you are very welcome to bring a friend or family member with you for support.

After that first conversation, we can talk through the support that would be most helpful to you, what happens next and any costs involved, so you can decide how you would like to proceed.

Your initial conversation is at no cost and without obligation. Scan below to find out more and book an appointment.



“You don’t need to have all the answers. Sometimes, a conversation is the best place to start.”

Important Regulatory Information

MKC Professional Services is a proposition offered by MKC Wealth Ltd, which is authorised and regulated by the Financial Conduct Authority (FCA).

MKC Professional Services provides financial support and advice to individuals who are considering, or going through, divorce and separation proceedings. The financial advice and support provided through MKC Professional Services relates specifically to the financial aspects of divorce and separation and is **not regulated by the Financial Conduct Authority**.

This service is separate from any regulated financial advice that may be provided by MKC Wealth Ltd. Where regulated financial advice is required, this will be clearly identified and provided separately in accordance with MKC Wealth Ltd’s FCA permissions and applicable regulatory requirements.

MKC Professional Services does not provide legal or tax advice. Clients should seek advice from an appropriately qualified legal or tax professional where such advice is required.



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