

# WHEN MONEY TEARS FAMILIES APART - AND HOW TO AVOID THE PITFALLS

Fallen out with a sibling over a parent's estate or locked into a battle over money you're owed? We reveal strategies to stop things getting out of hand

Family disputes **SAVINGS**

BY BEVERLEY D'SILVA

**F**amily rifts can happen to anyone, with money a common area of contention. The division of inheritance, a shared family business, or a parent going into care are all potential flashpoints.

"Families get into all sorts of disagreements over money," says Jeremy Pollack, a conflict resolution consultant in the US, who has dealt with disputes ranging from "passive-aggressive words at a child's birthday party to major fraud cases between siblings".

He says: "When money is at stake people can get lost in their pain and anger, and they may feel attacked on a very deep level."

A fifth of people in the UK have fallen out with a relative following the death of a family member, most arguments being over an inheritance, according to research by the charity Independent Age in October 2018.

Olivia\* found herself in such a predicament last year, when she became locked in a courtroom battle with three cousins over their grandmother's estate.

"My grandmother had two children - my mother, and a son. He had three boys, while I was an only child," she says.

Olivia, 35, was brought up in England. Sadly, her mother died when she was 10.





"Afterwards, I grew even closer to my grandmother. She was spirited, and always had stories to tell. I adored her and frequently travelled to see her."

When her uncle also died, Olivia's generation was in line to inherit from their grandmother.

"Before she died she said she wanted to leave her estate to me," Olivia says.

But after her grandmother's death, it came to light her final will did not meet some legal requirements.

"However, she had made it clear to everyone, including my cousins, she wanted me to have the money," Olivia adds.

Despite this, her cousins "decided to try to get what they believed they were entitled to".

Both parties tried – and failed – to come up with a settlement so it went to court.

"We sat opposite each other, it was very awkward," she recalls. "What was worse was they are my closest living relatives, and basically nice people".

"I came out better off than if they had split the estate without taking the will into account – but less than she wanted me to have."

Far worse was the emotional trauma. "I shed lots of tears and I was stressed about it for ages," she adds.

She would have liked to maintain a relationship with her cousins, but this did not happen.

"In family disputes, the real issue is usually not about the money," says Peter Saddington, a counsellor at Relate, a UK charity offering relationship support. "It's about trust

and feeling betrayed by those you thought you could rely on."

When someone is determined to hold on to money, "it can be a way of holding on to the person involved", he adds.

Clear, open communication is vital when locked in dispute over money, says occupational psychologist Kim Stephenson.

"People who refuse to talk can get fixed ideas, such as 'Auntie's tea set was meant to go to me not them,' he says. "If we can get the parties talking to each other, we are part way to them forgiving each other instead of dwelling on grievances."

He sees disputes where people become "obsessed with the money – but we know from studies that money doesn't make you happy – whereas giving it away, doing charity or pro-bono work, or volunteering, can and does."

Money has become a sticking point for Mike\*, 52, and Daniel\*, 55. Their father, Len, is in his 80s, and has dementia. He lives in York, near Daniel. Mike wants him to be with him in London.

"I have a house with an annexe Dad could live in. I mostly work from home, so I can keep an eye on him without compromising his, or my, independence," says Mike.

However, he was shocked to discover his father was selling the family home and moving into a care home, and Daniel was behind the arrangements. Mike was also upset to learn Len had signed over control of his finances to his older brother.

"When I tackled him about it, he said Dad agreed to it all. But when I talked to Dad, he said he only agreed because he didn't want to rock the boat," says Mike. "I told Daniel I didn't like what he'd done, and he got defensive, saying his priority was Dad's health, he needed nursing attention. I said Dad would never be happy in a home."

It has been months since they last spoke. "I feel bitter I didn't get a say in Dad's affairs. I am considering



**"We'd look at where things went wrong and find a way back"**

legal action. I used to get on with my brother, not now. I also know he has been short of money and I can't be sure of his motives or that he has Dad's best interests at heart."

"Trust is the main issue here," says Saddington. "The situation with their father has thrown up questions like: why is he doing this against my wishes? Is there something bad or suspect about his intentions?"

"First, I would take the brothers back to when they did get on and ask: when did doubts start creeping in? We would look at their back stories, and why they think the relationship went wrong, to remind them relations have been good, and find a way back to that feeling."

He would also look at the "family money script" – the way our parents managed money, which we tend to mirror or oppose, and "also use that to help repair the trust".

Step-siblings Martha\*, 50, and Tom\*, 37, may have opposing money scripts. Martha has always been a saver, so she was able to lend Tom a six-figure sum for his bitcoin business. She didn't



He has had clients who have

think she needed a written contract, as Tom made a verbal promise to repay her when his business picked up. But it has crashed, leaving him facing bankruptcy. He is sorry, but doesn't know when he can repay her. Martha cannot afford to lose the money and feels angry about Tom's financial mismanagement.

"Martha was not coerced into lending Tom the money; she knew it was risky from the start," says Saddington. "She is anxious about how she can sort it out and is probably feeling most anger at herself: 'why didn't I formalise the loan?'"

It is a reminder we should step back and think before any financial deals – even with family, he says.

Toby Thomson, a chartered wealth manager and principal of Thomson Private Wealth, works with high-net-worth clients.

"The more money you have, the more complex it can become and more potential for 'disgruntled relations syndrome,'" he says.

intentionally kept family in the dark about their estate.

"There is a prejudice among Brits about discussing wealth," he says.

In fact, respondents in a YouGov study commissioned by Lloyds Bank in March 2019 said money was a greater taboo for them than sex, religion or politics, with 44% avoiding discussing money with family.

Thomson cites a client with the right approach: "He knew he had a terminal illness, so he gathered his family together with me, the wealth manager. Everyone was told who would be entitled to what. That way, there are no surprises when you die."

He guides clients towards good communication – "not treating money as a dirty word"; hiring a top legal team to write your will and a wealth manager to coordinate the process. **FRILLO**

\* Surnames withheld.

**BEVERLEY D'SILVA** writes for publications including *The Sunday Times*, *The Telegraph*, *Breathe* and *Westlondonliving.co.uk*

## Four ways to avoid family money disputes

This will depend on individual cases, says Jeremy Pollack, conflict resolution consultant, but these questions can help turn a dispute around.

- If I lose the money or property in a dispute, will my normal lifestyle be significantly negatively affected?
- Is the money at stake more important to me than the family relationship?
- If the money disappeared and nobody got it, would I still have bones to pick with those involved?
- If I give in, will I resent them for years?

If your answers are all no, great – the money is not more important than the family. A meeting would be appropriate, where you can implement these conflict resolution strategies:

- **APOLOGISE** – start with an apology and own the negative ways you have been behaving.
- **CARE** – tell them you care about them, regardless of what happens with the money. This will set the stage for more generous negotiation on all sides.
- **REASON** – explain what the money means to you. Understand what it means to them. This can help take you back to being human in each other's eyes.
- **PROPOSAL** – make a sound one, with an open heart. Be fair or even generous. Take less, or nothing. You may forfeit the money, but you will begin rebuilding the family relationship.

If you answered mostly yes, you may be deeply emotionally attached to the situation's outcome, as are other relatives involved.

"When people want to sort it out, a counsellor's a good option," says Saddington. "But when it's so acrimonious you reach deadlock, a mediator is better."