

VIEWPOINT

MISKIMMIN WEALTH LTD



Thank you for reading our newsletter, if you would like
to discuss any of the articles further, please do not
hesitate to contact us

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Is joint life cover best for couples?

If you want to help make sure your loved ones will have financial security if you pass away, life insurance cover is the answer. But, if you're part of a couple and you both need cover, should you take out single policies, or a joint policy that covers both of you?

With a single life policy, the insurer would pay out on the death of the policyholder and the policy would then lapse. With joint life insurance, however, the cover will apply to both policyholders and would pay-out either on the first or second death, depending on how the policy is set up.

Before you decide whether to take out single or joint life insurance policies, you'll need to decide what type of cover you need, and this will depend on your circumstances:

- **Term Assurance:** pays out a lump sum if you die within the agreed 'term' (ie. the amount of time you've chosen to be covered for). Term Assurance is typically taken out to protect a mortgage and, as such, can come with a level, or decreasing, sum assured - the latter reducing as you pay off your mortgage.
- **Whole of Life Insurance:** pays out a lump sum when you die, whenever that is - as long as you're still paying the premiums.

- **Family Income Benefit Insurance:** pays out a regular income, instead of a lump sum, to provide ongoing financial support for those who depend on you.

You could also add critical illness cover to your life insurance policy, which means you'll get a pay-out if you're diagnosed with a serious illness and your claim is accepted. The type of conditions covered can include cancer, heart attack and stroke and will depend on the insurance provider.

Weighing up the benefits

Once you've agreed on the right type of cover, there are a number of other factors to consider to determine whether single, or joint life cover is best for you and your other half, including:

- **Cost:** a joint life policy may be less expensive than two single life policies. Level of cover - if your partner earns more than you you might want them to have a higher level of cover, since the financial impact of their death would be greater than yours. In this respect two policies may be better as they will have different sums assured.
- **Existing cover:** either, or both of you may have existing life cover through your employer, or an existing plan. It's important to check what's already in place so that you have a true picture of your protection shortfall. You don't want to pay for something that's already covered.
- **Your relationship:** It's not necessarily something you want to think about but some insurers include a separation benefit. This means if your relationship breaks down during the policy term, you could cancel it and start two individual policies without having to provide additional medical information.



If you're not sure whether single or joint life cover is best for you, or you'd like to review your existing cover, please get in touch.

Income Protection claims

You might believe you'd be more likely to call on your income protection policy later in your working life, but data from protection insurer, The Exeter, show their *average claimant was 40, and on certain products, just 33.*

Income protection is designed to pay an income if you're unable to work as a result of an accident, illness, or, with some policies, unemployment. The benefit usually kicks in after what's called a deferred period and can last until you're able to return to work or you retire.

Cover for physical, and non-physical conditions

Every year, one million workers will have to stop work due to prolonged sickness or injury, but the number having to take a break because of mental health issues is sadly growing. As well as revealing the surprisingly young age of some of their claimants, The Exeter said that mental health-related issues were accounting for a growing number of its claims; reaching 10% in 2018.

The Association of British Insurers (ABI) had previously reported that mental health was the most common cause of claim on income protection policies in 2017; perhaps unsurprising given that one in four of us in the UK will be affected by a mental health problem in any given year.

Whether your reason for claiming on your income protection policy is physical or mental, having cover in the first place is crucial – especially if you have a mortgage or people who rely on your income.

Income protection tips

Check if your employer provides cover as part of your employee benefits. If so, how much do they provide and for how long?

If you need to take out separate cover, don't leave it too long; the younger you are, the cheaper the policy.

Make sure the cover you take out complements your existing cover. For instance, if your work policy ends after six months, choose a six-month deferred period.

If you're self-employed, you might consider a shorter deferred period since you'll have no employer's cover. You might have savings that could see you through the first few weeks or months of being unable to work.

If you'd like to find out more about the features and benefits of income protection, please get in touch.



It is a tongue-in-cheek discussion most of us have had with family and friends. What songs would you have played at your funeral? After all, a funeral service and the music played should celebrate your life in the way you want.

Most popular funeral songs by genre

🎵 Hymns

Abide With Me
All Things Bright And Beautiful
The Lord Is My Shepherd

🎵 Rock

Stairway To Heaven Led Zeppelin

Bat Out Of Hell Meatloaf
Don't Want To Miss A Thing Aerosmith

🎵 Sport

Match Of The Day
Cricket Theme
You'll Never Walk Alone

🎵 Indie

Chasing Cars Snow Patrol
Wonderwall Oasis
Don't Look Back In Anger Oasis

🎵 TV

Only Fools And Horses
Last Of The Summer Wine
Coronation Street

🎵 RnB

I'll Be Missing You Puff Daddy
I Miss You Beyoncé
One Sweet Day Boyz II men

What music do you want played at your funeral?

A quick look at the current top 10 funeral songs turns up some predictable results. 'My Way' by Frank Sinatra is favourite, followed by 'Time to Say Goodbye' in second place. Another more ironic choice is 'Always Look on the Bright Side of Life' from Monty Python's 'Life of Brian'.

Have you planned your song choice?

Do any of the above reflect your wishes? Or would you take a different approach? Would you want the attendees to truly celebrate your life and your sense of humour or would you rather make a poignant, emotional choice?

Whatever works for you, whether hymn or humour, you want your song choice to be one less thing for your loved ones to worry about.

It can be costly too

There's no soft way to approach this topic but it's best to tackle these difficult issues head on, like how we would cover the costs of our funeral. The average cost of a funeral is at an all-time high of £9,214. This is a 29% increase in just 10 years.

- £4,281 – the average cost of a basic funeral including the doctor, funeral director fees, the cremation or burial and the minister or celebrant
- £2,061 – the average amount spent on additional extras such as the memorial, death and funeral notices, flowers, order of service sheets, limousines, venue and the wake
- £2,872 – the average amount spent on hiring legal professionals to administer the estate

A Whole of Life Plan can help take away some of the financial worry for your loved ones. These plans are designed to pay out a specified sum when you pass away, or are diagnosed with a terminal illness. The amount paid depends on the sum assured and type of cover you choose when setting up your plan.

