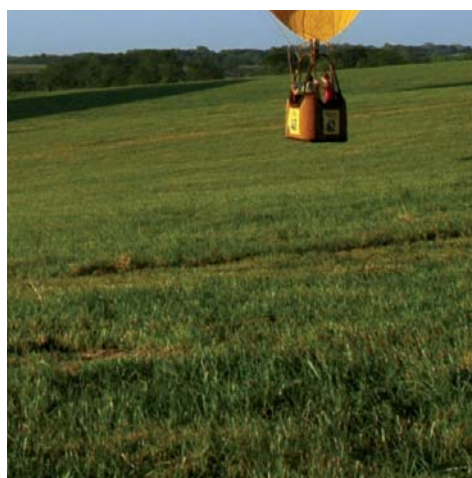


Fentons Solicitors LLP

A Leading UK Personal Injury Firm



Personal Injury Trusts

# Personal Injury Trusts

**If you are about to receive an award of compensation for a personal injury and you currently receive means-tested benefits, then you should consider a personal injury trust to protect your entitlement to those benefits.**

**Fentons Solicitors LLP has a highly experienced team of solicitors who can help guide you through the process of setting up a trust to protect ongoing or future entitlement to benefits.**

## **WHAT IS A PERSONAL INJURY TRUST?**

A personal injury trust is created when a person places their compensation into the care of other individuals (the 'Trustees') to ensure that they do not lose their entitlement to benefits.

## **DO I NEED A PERSONAL INJURY TRUST?**

The value of any compensation you receive is taken into account when calculating your entitlement to means-tested benefits. Even a small award of compensation could affect your benefits entitlement.

However, if you set up a personal injury trust with your compensation, that capital is disregarded and will not affect your entitlement to benefits.

Even if you do not currently receive benefits, setting up a trust when you receive your award can prevent loss of any future benefits if your circumstances change. A personal injury trust may also help to prevent your compensation being taken into account in divorce proceedings.

## **WHEN SHOULD I SET UP A PERSONAL INJURY TRUST?**

In order to avoid any loss of benefits, a personal injury trust should be set up before you receive your award of compensation. However, a personal injury trust can be set up at any time using your compensation award.

There is a period of 52 weeks, from the date you receive your award, in which your compensation will be treated as disregarded capital, but this period is subject to special rules and we do not recommend that you rely on it.



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### **WHO CAN BE A TRUSTEE?**

The decision on who to appoint as your trustees is entirely yours. You should have at least two trustees who must be at least 18. You should not appoint anybody who is bankrupt or who has been convicted of an offence involving dishonesty. You can act as a trustee if you wish, although this is not recommended, and you can even give yourself the power to add or remove trustees at any time. You can also appoint professional people, such as solicitors, to act as trustees.

### **WHAT ARE THE RESPONSIBILITIES OF MY TRUSTEES?**

Your trustees will be responsible for looking after your compensation and making decisions about payments from the trust. The trustees must seek proper investment advice to ensure that the assets in the trust are invested appropriately.

### **WHAT HAPPENS WHEN I DIE?**

In the majority of cases the trust will end on your death and the remaining assets will be part of your estate and pass under the terms of your will. The expert team at Fentons Solicitors can help you make all necessary arrangements to ensure your estate is distributed according to your wishes.

### **LEGAL COSTS**

We can provide you with details of our costs at the time of instruction, however the purpose of a personal injury trust is to save you money in the long term. If you choose to appoint a professional trustee there will also be additional legal costs for the ongoing administration.

*In order to avoid any loss of benefits, a personal injury trust should be set up before you receive your award of compensation*

# Call on our expertise

## **OUR EXPERT TEAM IS HERE TO HELP YOU**

Our friendly, helpful team of experts is on hand to offer you all the information and advice you might need, and to guide you through complex issues involving Personal Injury Trusts.

For free initial advice or to discuss your own needs further, simply give us a call or send us an e-mail:

GO ONLINE AND EMAIL YOUR  
QUESTIONS TO US FOR FREE ADVICE

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