Mediation Process Map- 5 SESSIONS (Pension and business valuations required)

3-4 MONTHS- approx. £1500 plus vat per person (plus cost of pension report and business valuation)

Note:Only clients of Compass Resolution can access the blue links to our online resources.

Preparation for Mediation

Clients complete and provide mediator with Financial Disclosure Booklets and income/expenditure spreadsheets using online Compass support resources with the purpose of making a 'Full and Frank financial disclosure'.

If communication is difficult read/watch the series, preparing to communicate in mediation.

Mediator completes Open Financial Summary ready to discuss in mediation.

Introduction

Confidentiality and Privilege paragraphs

Background

- Names. Dobs. Occupations
- Relationship timeline. Cohab. Married. Separated. Divorce issued?
- Children names. Dobs
- Court proceedings? Important dates

Matters for discussion:

- Divorce process
- Finances including asset division, ongoing financial support (spouse and children maintenance), pension division and business valuation.
  - Urgent aspects to be considered?

First session of mediation

Divorce- Issued? Stage reached?

Compass Resolution
Family Mediation

Child arrangements

Record current arrangements and identify whether any discussions are needed in a separate session focusing on the children (see chpt on creating parenting plan)

Finances

- Jointly go through Open Financial Summary spreadsheet prepared by mediator from Financial Booklets (Form Es) provided by clients prior to first session. Mediator makes disclosure notes and creates Tasks list (see 'next steps' below).
- Id priorities for outcome (Values, interests and needs of each person to be considered)
- Help clients provide each other with an overview of their desired outcomes and approach, including factors (Influencing thinking and approach)
- Interim financial support calculations (interim maintenance) if needed
- Provision of legal info by reference to Compass Divorce Manual and guides
- Id any neutral expert input required ie house valuations, borrowing capacity information, pension expert reports, business valuations

Next steps such as task list to complete before next session.

Work on income/expenses spreadsheets based on housing options to be explored during next session so can decide whether, and how much, ongoing financial support is to be paid as part of the final proposals

- Work together to agree valuations ie property
- Obtain borrowing capacity reports
- Read relevant legal info referred to in Divorce Manual and online

Second session of mediation

Exploring broad Options and build the bigger financial picture exploring needs and interests.

Continue to build the Open financial summary from information obtained since first session.

Housing, Financial support, Pensions and Business interests

- Option 1
- Option 2
- Option 3
- Option 4

If needed, discuss expenditure spreadsheets to determine whether case for ongoing financial support (Spouse and/or Child) which is likely to take up most of this session determining question of interim maintenance and the 5-stage approach to working out spousal maintenance.

https://www.compass-resolution.com/video-support/

Next steps

Take legal advice regarding interim maintenance proposals.

Third session of mediation

Return fairly soon to this session to continue discussing the bigger financial picture, explore options and which financial expert support might be needed to be able to reality test options in future sessions ie pensions, business interests

Prepare draft instructions to pension expert if clients wish to explore pension sharing/pension offsetting options so that they can take advice on draft instructions before sent to expert OR leave for solicitors to prepare and obtain.

Discuss business interests in more detail and what aspects of the business might need expert accountancy input ie valuation of interests, extent of liquidity, tax implications against the bigger financial picture and prepare clients to take legal advice from their solicitors with regard to what evidence is required and how this is to be obtained.

Next steps to complete before next session to enable full reality testing and narrowing of options.

Obtain **pension expert report**.

Obtain **business expert input** re valuation, liquidity, tax etc

Take legal advice regarding options explored and expert opinions to be obtained

See

https://www.compass-resolution.com/pensions-on-divorce/

https://www.compass-resolution.com/divorce-and-business-valuations/

Fourth Session of mediation

Narrow options based on **all** information gathered such as property valuations, borrowing capacity report, pension report, business valuation and legal advice obtained prior to session so that clients are ready to reality test options with the mediator from multiple perspectives and reach proposals to take advice on.

Option 1 and Option 2 = Proposals

Next steps

Final check with solicitor between sessions to build understanding and confidence ready to make final decisions in 5th session.

Fifth session of mediation

Proposals reached and checked, ensuring that they will deliver what each person expects them to deliver checking for example who is to pay any costs and fees connected with the implementation of the proposals.

- Main terms of proposals set out by Mediator in Memorandum for mutual understanding.
- Costs:
  - Who is to pay costs and fees for obtaining financial consent order, Divorce Decree Absolute fee, conveyancing fees and expenses, pension implementation charges, professional and admin fees connected with share transfers, resigning as Director etc
- Tax implications of implementing proposals such as Capital Gains tax on investment property transfers.
- Wills, inheritance and insurances ensuring that these aspects are considered.

Next steps

Mediator prepares;

- Final Memo setting out proposals and
- Open Financial Summary,

Solicitors prepare Consent Order for Judge to make binding and Decree Absolute applied for.

Consent Order implemented