

Independent Financial Planning for Long-Term Care



LIFT-Advice

**Providing the financial solutions
for your care needs**

For professional independent care fees advice contact:

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Advice you can rely on



Specialist care fees advisers at LIFT-Advice will guide you through all the financial aspects of long term care.

At LIFT-Advice we appreciate all of the financial concerns you are experiencing. We understand the current legislation and know all the sources of the financial assistance you are entitled to. **Most importantly** we can advise you on how to make up any shortfall with the minimum of impact on your family's wealth.

Our care fees advisers have professionally recognised qualifications to advise in this specialist area – you should not expect anything less. By listening in detail to your family's situation we are able to give truly independent advice on all the options available to you.

Take the first step – find out how we can help without obligation

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Planning for your financial needs



Choosing the most appropriate care home or care at home provider is important.

Making sure you have explored all the financial options is vital.

By reading this brochure it is likely that the issue of providing for long-term care is a very real one for you now.

Understandably this can be a stressful period: choosing the most suitable new home, liaising with the social services and health authorities. Then there is the potentially worrying problem of finding the best way to finance the care.

For many deciding how to fund the costs is the most stressful part. Providing care is expensive and although families naturally want the highest quality care they do not want to see a lifetime's savings disappear in a few years of care – and quite rightly so.

Funding care fees can be a complex matter and taking professional advice is vital in deciding the most suitable and cost effective solution.

Choosing the most appropriate adviser

Stephen Whitby is a Chartered Financial Planner and an accredited Society of Later Life Adviser.

The Society of Later Life Advisers (SOLLA) is a Not For Profit Consumer Facing Organisation whose primary aim is to link consumers and their families with accredited independent financial advice. www.societyoflaterlifeadvisers.co.uk

How financial planning can help



Immediate needs

Most families address the care fees problem at the point when care is actually required. They need a financial solution that will be put into action straightaway.

There are many aspects of funding which need to be considered and no two family situations are identical. Some of the key points to consider are:

- Are all allowances and benefits being received?
- What income is available?
- Are there any other assets available? Will they need to be used?
- Is it possible and advisable to fund any shortfall from these assets?
- Is there a spouse or any other dependent to consider?
- Is funding the shortfall from a specialised annuity (Immediate Care Plan) appropriate?

For many the best solution includes the use of an Immediate Care Plan that guarantees to pay all or part of the care home fees. See Mrs Jameson's case study on the next page.

Future needs

The families of residents already in care homes often ask how they can plan ahead to cover the cost of future care fees. This type of planning is very different to that of immediate needs.

There are specialist solutions to plan for possible future care fees. Although in many cases it just comes down to good holistic financial planning. Again, your adviser at LIFT-Advice can work with you to address your long-term care concerns along with your other financial objectives.

Immediate Care Plan Case Study

The Problem:

- Mrs Jameson, a widow, suffered a stroke and needed to move into a care home
- Her daughter had been appointed as a Power of Attorney
- She has a total net income of £9,500 per year
- She is entitled to allowances and benefits of £7,500 per year
- The care home costs £36,400 per year (£700 per week)
- The shortfall is therefore £19,400 per year
- She has £120,000 in the bank, mostly from the sale of her home, and £40,000 in other assets
- Mrs Jameson and her family are concerned the money will run out in paying for care with no hope of an inheritance for her children and grandchildren

The Solution:

- Once all the options had been discussed with their adviser, Mrs Jameson (through her daughter) purchased an Immediate Care Plan which guaranteed to pay her care home £19,200 as an annuity tax free for as long as she needed care
- They were able to discuss whether the capital sum should be protected to some degree or whether the payments should increase to allow for inflation or increase in Nursing Home costs
- She paid £82,000 for the plan
- The family now had the reassurance and peace of mind that the lifetime costs of Mrs Jameson's shortfall had been secured. This guaranteed source of funding does not depend on investment returns
- The remaining capital could then be invested for growth or even passed straightaway to the younger generations with some certainty that it would not be needed for care fees

Mrs Jameson and her family were pleased that the concern and stress over paying for the care fees had been resolved. Mrs Jameson was particularly pleased that a fair proportion of her wealth had been safeguarded for her future needs or to pass on to her family.

These figures are for illustrative purposes only. Advice should always be sought when looking to address potential care issues.

FCA regulates certain aspects of Long Term Care Planning.

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