

Paying for care

by Karen MacDonald of Care @ Monetary Solutions



We see care costs depleting estates faster than inheritance tax costs or any other form of taxation. This is not surprising given that the average cost of staying in a care home exceeds the cost of sending your children to Eton!

However, there are ways of protecting assets and paying for care fees, whether care is at home or in a residential home. The first step is to get good professional advice. We advise in this market from personal experience and can help you find your way through getting the right assessments and benefits to finding and funding care.

We know that you need to:

1. Get the right assessments by the local authority.
2. Identify if there is a nursing need – which could ultimately mean the NHS pays for the care in full.
3. Claim all the right state benefits.
4. Ensure the correct legal papers are in place – whether it be a will or powers of attorney required.
5. Ensure assets are protected as much as they can be by approved methods. Gifting monies or assets improperly could be seen as ‘deliberate deprivation’ by the local authority and they can claim it back through the courts.

6. Ensure only relevant benefits/assets are included in the financial assessment – especially important if there is a spouse that will remain at home and need the money. For example, any life assurance bonds that have been held since before the person was medically declared unfit can be discounted.

7. Look after the one at home. If the State is liable to pay for someone’s care (for people with assets below £23,250) then they will claim most of that person’s income to help them pay for it – which may leave a spouse at home with little or no money.

8. Protect the family home. The value of your home should not be taken into account if a surviving spouse or partner lives there, or another relative aged 60 or over. There are also ways to release capital through the local authority or equity release*.

9. Protect assets by considering a special annuity and looking at the investment opportunities available.

Not only are we a friendly voice at the end of a telephone, but we help you through this minefield.

Financing care could be one of the largest financial decisions that you have to make – there are a number of options out there, whether you are funding £20 or several thousands per week.

Professional Advice

We offer a bespoke service to clients and their families who are facing the prospect of entering into the care system – whether it is care at home, or placement in a care/nursing home – and provide a wide remit of services beyond long-term care that assists with all aspects of later life planning.

Everyone’s situation varies according to the amount and type of benefits they are entitled to, the type of care they need and the funding options available. We offer an ongoing service, throughout life if required, to ensure the advice we give is valid – not only now, but also in the future as circumstances change.

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