



A guide to later life planning



Care advice and paying for care

Independent Financial Advice on meeting the cost of care and help to protect those assets that have taken a lifetime to accumulate

Access to the right advice early on can give you a broader choice of care options. It also gives you the opportunity to put in place the appropriate financial and legal arrangements, which means you, and those you trust, can stay in control of your future.

The advice you need may vary from a specific piece of information, to guidance on state funded care and whether you are eligible or crucially how best to pay for it if you are not eligible.

The need for care often arises quickly and unexpectedly, the NHS, Social Services and care homes play a vital role but none of them can give specific advice on how to pay for care.

For many people this will be their first experience involving care fees planning.

Often the first question asked is: "Where do I Start?"



When your future is financially secure, you are free to enjoy life's fun risks

Our experience shows that many people have the following concerns:

- They don't wish to be a burden on their family.
- Increasing frailty but wish to stay at home if possible.
- Residential care may be needed but worried that savings may run out.
- They wish to leave an inheritance to children and grandchildren.
- Worry about having to move care homes if savings run out.
- Can the state help?
- How to preserve savings and meet rising care costs
- What is the best way for me to fund my care costs?
- Can income be guaranteed for my lifetime to meet care costs?
- How can a Power of Attorney be set up?

Self-funding your care fees

If you aren't eligible for NHS or local authority care home funding, you will need to pay the fees for yourself. This is called self-funding.

The average care home fees for self-funders currently stand at around £1,000 per week. You have several options for paying these fees – you can use personal capital, income or a combination of both.

Using your income

You can pay for your care home fees using income from a number of different sources, including:

- Pension income
- An annuity
- Rental properties
- Investments

Using your capital

Another option is to draw on your personal assets to pay for your care home fees. These could include:

- Savings
- Investments
- Property
- Investments
- Long-term care annuities
- Equity release

Long-term care annuities

These pay out a regular income in exchange for a one-off lump sum payment. The cost of a long-term care annuity will depend on your health, age and amount of income needed. Only specialists can provide advice on long-term care annuities and they can only be purchased through an adviser.

Do you have enough money to pay for care?

24% of people who self-fund their care home fees run out of money and fall back on state support. If you are planning to pay for your own care home fees it is important to speak to an expert to make sure you have enough money.



We pride ourselves on our confidential and clear advice tailored to your needs

How we can help

Pearson Wealth Management are specialist Independent qualified advisers, authorised and regulated by the Financial Conduct Authority.

We have many years of experience with care planning issues and can help to clarify and explain the often complex issues involved.

We pride ourselves on our confidential and clear advice tailored to your needs.

We can also advise on the following associated issues:

Inheritance tax (IHT) planning

We can help to reduce your inheritance tax exposure whilst protecting your own financial security. This includes protecting against any unexpected financial demands in the future, such as long-term care fees.

Cashflow forecasting

We look at the relationship between your assets, income and expenditure and the shortfall or any excess. E.g. When looking at care, can you afford to keep your home, will your income and/or assets provide for your care costs and for how long?

Retirement planning and income strategies

We help to ensure you have sufficient income over what, for many, may be a 30 to 40 year timeframe

Portfolio investment and management

We can help to establish your attitude to risk and work with you to ensure your investments are appropriate for your current and future needs.

Care fees advice

We explain the different ways you can pay for care, and the advantages and disadvantages of each, so you are able to choose the option that works best for you.

For further information contact Sue Hodge for an initial discussion without obligation:

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