

WHAT YOU'LL NEED TO PAY FOR

and how to pay for it

SOME MIGHT SAY our planning for later life starts the moment we pay National Insurance contributions, but, in practice, actual planning comes much later. Funding pensions is normally about making sure you have sufficient to enjoy your retirement, perhaps to do those things you weren't able to during your working life.

Later life is more complex. Many of us, but by no means all, will need help and support during our later life, sadly for some this can start almost immediately retirement commences; cognitive disorders such as dementia are thought to be more common now, because of the advances made in other areas of medical science. For most, diagnosis will occur long before full care or support is needed so planning is possible. As part of the National Dementia Strategy, local authorities are rolling out a service that works with the individual and their family, to provide support and help in coping with the condition as it progresses.

The need for support and assistance may well occur some years before a residential or nursing facility needs to be considered, and it's this stage that can be the most difficult to co-ordinate.

Accessing the necessary support services and knowing what is available without cost; irrespective of your means, is something of a minefield. Finding approved suppliers of

We've got great advice on getting your finances sorted, so you can really enjoy your retirement

support services for the elderly, who are amongst our most vulnerable is also a challenge; especially if you are trying to handle this from a distance, on behalf of parents or other elderly relatives.

Some local authorities do appear to be addressing this; for example, East Sussex County Council now has the Support With Confidence Scheme, which is an extension of Trading Standards and covers areas such as cleaners, personal care assistants, home/garden maintenance and mobility equipment providers. It may be long overdue, but will give the peace of mind necessary when looking for honest and reliable support for yourself, or for your loved ones.

So how do you plan for this, well the best place to start is to have a conversation, long before any care or support is needed. This conversation should occur with your family, and friends where appropriate, and professional advisers, such as solicitor and financial adviser. As is always the case, pre planning is key. If you are no longer able to manage your own affairs, it is important that you've already made the decision who you would like to manage them for you, as your Attorney, and have established they are happy

to undertake this responsibility for you.

Do think about the logistics; people who live abroad, even if they are your children, will face an uphill struggle in managing your affairs from such a distance. So pick someone relatively local.

If you are unable to care for yourself, make it clear what type of support and care you would prefer, for instance, in your own home, if viable? Your financial adviser will then be able to calculate whether this is affordable, or if compromises need to be considered. Insurance plans are available for long term care costs, but this remains a fledgling sector. For most, alternative; more flexible options are preferable, to make their capital stretch a little further.

Prior planning can only go so far, so all you can do is to make sure those around you

understand your preferences and objectives. Whether it's planning your estate and minimising the effect of Inheritance Tax, or ensuring that you have your independence for as long as possible, the time to discuss it is now, not when things have escalated beyond your control.

With the average care-home fees now at circa £470 per week*, few will be able to meet this out of income, but erosion of your capital can be slowed if a sensible investment strategy is implemented – this doesn't need to be risky, but instead must maximise any tax allowances available and interest from low-risk investments. ■

Feature courtesy of AV Trinity, www.avtrinity.com, 01892 612 500

*source: Help The Aged