

Older Life Care – Your options

Overview

The good news is that we are living longer with senior citizens accounting for almost 20% of the population, and a record number of people in the UK, some 14,570, are surviving to the age of 100, the latest official data shows. The number of people aged 100, or over, has quadrupled over the last two decades, according to Office for National Statistics figures for 2015, and in the last decade alone, the number of centenarians has risen by 65% or 5,720. But greater longevity brings its own challenges as people have to make decisions about where and in what environment we will spend our “golden years”. Obviously there are financial concerns as well as health requirements and in this article we attempt to explore the basic options.

What are the main options?

Staying in your own home

Of course this will be the preferred option for a majority of people. You are in familiar surroundings and have your local network of friends and neighbours. But, once the family has grown up you might well find that the house is difficult to manage with cleaning and maintenance becoming more than just a chore. But there are ways to enable you to stay in your home depending upon your needs and healthcare requirements.

- Mobility aids such as handrails, stair lifts and specialist chairs and beds
- Walk in baths, general bathroom adaptations or possibly a “wet room”
- Kitchen refit to include easy taps, adaptable height work surfaces
- Security measures such as panic pendant in case of a fall
- Meals on wheels, a home help to assist with the chores
- If health is failing then there are plenty of home assist companies that will help with regular visits to help with washing, dressing and medication.

Depending upon the help that you require, the cost of the above items has to be considered as you will still need to maintain the house and pay the utilities.

This may be a situation where Equity Release/Lifetime Mortgage will enable you to release funds from your house to help with the additional costs. However this is not a step to be taken lightly and you need to discuss this with a qualified Chartered adviser and your family needs to be included in these discussions wherever possible. Please feel free to speak with us over a coffee to look at the pros & cons of Equity Release

“Downsizing”

If your house really is too big for your needs and the maintenance will be an unwelcome challenge, then “downsizing” may be an option. Of course it will be a wrench to leave the family home, but moving to say, an easy maintenance bungalow, perhaps nearer family members may be an ideal solution.

Whilst there will be moving costs involved and a period of disruption, it will inevitably reduce your regular outgoings and often release a decent amount of money which, when invested wisely, will help to supplement your income.

Moving in with your relatives

This needs thought, not only about the practicalities of everyone getting along and having their “own space”, but there are legal & tax implications that need consideration.

On the plus side there is the precious extra time spent with your children and grandchildren. Cleaning and cooking will become “shared” activities and loneliness should not be an issue.

Some of our clients have sold their family home and pooled funds with their children to buy a larger home with a “granny annex” and this is where legal advice needs to be taken to ensure that the arrangement protects all parties – and this may also be an opportunity to speak with your solicitor about reviewing your will and putting in place a Lasting Power of Attorney.

On the downside there is always the chance that a big change in the family dynamics can cause tension and “I need my own space” problems!

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Sheltered Housing

Maybe you need your own space but still find it difficult to cope at home – perhaps a Sheltered Housing apartment may be the answer. It will provide security and home comforts and in many cases an on-site social life. In many Sheltered Housing environments there will be communal gardens, shared laundry facilities and the option to eat in your apartment or in a communal dining area. The houses/apartments can usually be rented or purchased outright and give independence with support at the touch of a button.

Retirement Villages

In some ways similar to Sheltered Housing with a property usually purchased outright within a village style environment often with shared facilities such as swimming pools and restaurants. Residents are normally fee to bring their own furniture and pets to recreate home from home but with the option to buy various levels of personal assistance.

However please read the small print as we have found that maintenance costs can be high, selling in the future can be expensive and there are often exit fees that must be paid – and when eventually sold, possibly by your heirs, the market is quite “narrow” which means it can take a long time to find a buyer and during this “fallow” period the regular maintenance costs will still need to be paid. We have heard the phrase “style over substance” attributed to Retirement Villages, but rather than denigrate this option, we simply say that you need to do your homework and speak to as many people as possible who have experienced a Retirement Village or indeed Sheltered Housing.

Residential Care Home / Nursing Home

If however care needs and frailty make the previous options unworkable then a Residential Care Home or Nursing Home may be the solution. Often the two environments are brought together under one roof which means that if someone has the onset of healthcare conditions that require care then this can be done on the same premises and without disruption to the resident.

Within a Residential or Nursing home, there will be 24 hour assistance with personal care and medication right through to more complex nursing needs for residents suffering typically with dementia based conditions and end of life care. These homes are safe and have access to a local GP and district nurses.

But this is the most expensive option and a good Residential or Nursing home in London and the South East could cost well in excess of £1,000 per week! Not many people have the means to pay these fees out of their retirement income and consequently any funds released from selling the family home need to be carefully invested to help to meet the costs.

There are options such as Care Fees Annuities that can be purchased to help meet future fees, but as always take advice from an independent Chartered adviser who has the appropriate experience and qualifications that are needed to work in this area of financial planning.

As always we will be happy to meet and discuss your plans and personal situation in our Tunbridge Wells office and there will be no cost for this initial consultation.

So, the important considerations

You need to focus your thoughts on –

- Where to live if moving from your home. Near family, in town or a quiet village? Are you mobile with a care or do you need to consider public transport links?
- Your physical and healthcare needs. Are they going to get more complex within a short space of time meaning that “downsizing” could be a non-starter? A good idea is to arrange a full physical assessment from an occupational therapist who will give an honest assessment of your ongoing needs and the ideal environment.
- The minor issues which may be important to you – your own furniture in Sheltered Housing, pets policy, can you decorate to your taste etc.

In conclusion

Much thought and careful consideration is needed before taking the major step to change where and how you spend your latter years, and please involve your family in your deliberations.

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