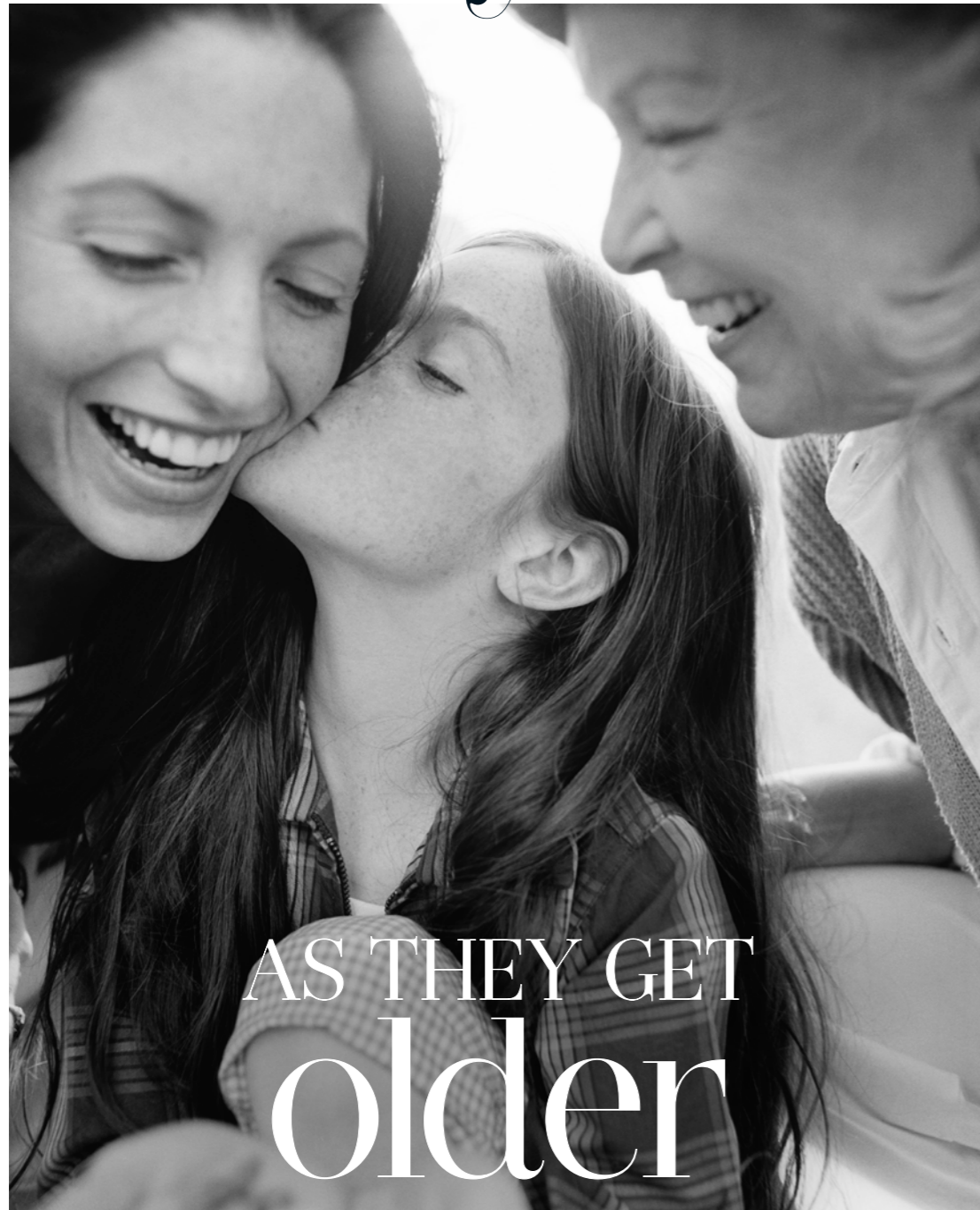


FUTUREPROOF YOUR family care



AS THEY GET
older

Caring for elderly parents and relatives can be emotionally – and financially – draining. But ignoring the issue won't make it any less painful. Instead, follow Caroline Bloor's guide to planning ahead

It's easy to put off planning for later life – too busy with work, too busy caring for children and parents, a lack of funds. Grim headlines on the subject don't help, either: an NHS in crisis, skyrocketing care-home fees, a widening funding gap in adult social care. But sooner or later, it's something we all need to think about, whether that's when we start navigating the social care system with elderly parents or planning our own future.

We are enjoying longer life expectancy than previous generations, but our longevity comes with its own considerations. We are more likely to live with long-term health conditions – frailty and dementia – and have care needs over a longer period. Yet spending on the over 65s has fallen by 24% since 2010. Numbers of older people who don't get the care and support they need has, says Age UK,

soared to a record high of 1.4 million – up nearly 20% in just two years.

As the criteria to qualify for social care tighten and resources are stretched, it's likely that anyone in your family who might need care will have to find a way to pay for it themselves. The experts say there is currently a funding gap of about £2.5bn. Anything less means the numbers struggling alone without help will keep going up.

'People don't realise the social care system isn't the same as the NHS – it doesn't necessarily occur to them that they may have to pay for care,' cautions Ruthe Isden, head of health and social care, Age UK. 'Although, in theory, there are national eligibility criteria, the reality is that local authorities don't have the budget. People who previously would have got some help are either no longer receiving care or getting less than they would in the past.'

So, if someone in your family needs or is going to need care, think of this as your wake-up call and start planning.

WHERE TO START?

NEEDS ASSESSMENT

If you think a parent or elderly relative needs more support, arrange for local adult social services to carry out a free care needs assessment (gov.uk/apply-needs-assessment-social-services), even if the care is going to be arranged and paid for privately. If eligibility criteria are met, a financial assessment – or means test – will be carried out, too, in order to determine if the local authority will contribute towards the cost of the care.

POWER OF ATTORNEY

If you are looking after a loved one's financial affairs, you'll know how difficult it is even to speak to their utility provider on their behalf without legal authorisation. For this, you'll need a lasting power of attorney (LPA) registered with the Office of the Public Guardian to act on their behalf. There are two types: health and welfare, and property and finance. The registration cost for each LPA is £82 and you can make and register one online at gov.uk/power-of-attorney or use the help of a solicitor to set one up. It makes sense to do both at the same time, so they are ready if/when needed. (There's a different process in Scotland, publicguardian-scotland.gov.uk, and Northern Ireland, nidirect.gov.uk.)

STAYING PUT

Making simple home adaptations or engaging extra help often means older people can stay at home for longer, if that's what they want to do. 'There is far more support available in the early stages than most people realise. People think it's all or nothing, but there's lots you can do to make a home accessible and there are other forms of support,' says Ruthe Isden. This might be help with the shopping, transport and meals; or enabling equipment, such as a stair lift, bath seat, grab rails and other gadgets. If your care needs assessment recommends disability equipment or small adaptations to your home, such as fitting a grab rail, your local authority in England may pay, providing it costs less than £1,000 (£1,500 in Scotland). In Wales, you may be asked to contribute towards the cost, and in Northern Ireland, your local trust will decide whether it will pay or whether you'll need to cover the cost yourself. If an older person isn't eligible for local authority-funded help with daily tasks, such as washing, dressing or taking medication, paying privately for agency care is another option. It's easier to access but can cost between around £18-£30 an hour, depending on location and needs.

Live-in care (where a carer stays in the elderly person's home 24 hours a day) provides peace of mind but you can expect to pay anything from £800 to over £1,800 a week. However, this might be more cost-effective than two care-home places for a couple.

NEED TO KNOW

* Read up on finding the right carer at ukcareguide.co.uk/home-care and use a carer registered with the UK Homecare Association (ukhca.co.uk).

* Check eligibility criteria for Disabled Facilities Grants towards home adaptations at gov.uk/disabled-facilities-grants.

* Visit findmyhia.org.uk to find a local Home Improvement Agency for advice on making modifications to the home, or careandrepair.org.uk if you're in Wales.

* Call Age UK's advice line on 0800 055 6112 (open 8am-7pm, 365 days a year).

ENTITLED TO EXTRA MONEY?

If you look after someone for 35 hours a week or more, you might be entitled to Carer's Allowance (currently £64.60 a week). Check gov.uk/carers-allowance.

For those suffering from an illness/disability and with care and/or supervision needs, take a look at the Attendance Allowance criteria (this pays out £57.30-£85.60 a week) at gov.uk/attendance-allowance.

MOVING ON

SHELTERED HOUSING

These self-contained homes with communal facilities and a manager or warden give the residents access to 24-hour emergency help and provide independence for those that don't need nursing care. You can buy or rent a property from your local council or housing association but expect to be placed on a waiting list. Extra-care housing (also called assisted living or enhanced sheltered housing) may be more suitable for older people who need extra support, including personal care. Unlike sheltered housing, extra-care housing is inspected by the Care Quality Commission (CQC).

RETIREMENT VILLAGES

Don't be fooled by the name – these aren't just for retirees. Privately developed retirement villages designed for active, community-minded residents aged 55 or over are on the increase. Some are located close to facilities in towns but there are also exclusive

developments in leafier surroundings with luxury facilities such as spas, swimming pools, restaurants and bars. Retirement villages attract criticism because homes sold at a premium often depreciate dramatically in value. Most are leasehold properties, so check the restrictions in the lease. It's common for the freeholder to get a percentage of any future sale of the property, for instance.

NEED TO KNOW

- * Check exactly what is included and what's available at an extra cost, as schemes vary.
- * As well as household bills and council tax, you'll usually have to pay a regular service charge or management fees.
- * Visit housingcare.org and property websites to find out what's available.
- * Newer retirement properties built by registered developers should be covered by an NHBC Sheltered Housing Code.

CARE HOMES

Around 4% of over-65s and 15% of over-85s live in care homes today. But with an ageing population living with chronic health conditions, demand for places is high. An extra 71,000 care-home beds will be needed within seven years to cope, according to a study published in health journal *The Lancet* in 2017. Where places are available, there's likely to be a big discrepancy between the fees charged to residents paying for their own care and those whose fees are paid by the local authority. Those covering the cost of care themselves can expect to be charged 40% more, according to research by analysts at LaingBuisson.

NEED TO KNOW

- * Use carehomeadvisor.com to find out how homes in your areas are rated by the regulatory bodies: CQC, NHS Choices, Your Care Rating, Food Standards Agency and the Health & Safety Executive.

THE COST OF CARE

Use the postcode search on the BBC website's care-costs calculator (find it in Search) to see how much residential or in-home care is likely to cost in your area. If the older person has savings/assets of more than £23,250 in England and Northern Ireland, they won't be eligible for local authority funding (it's £27,250 in Scotland; £40,000 in Wales). The NHS can fund care in some cases. The value of the person's home won't be included in the calculations if their spouse or partner still lives there or the assessment is for care at home. As more than 40% of residents in care homes currently fund themselves, it's important to work out the best way to cover the costs of care, factoring in pensions, other income, benefits and living expenses. It's a complex decision, so get expert advice. 'Start early and the number of options available to fund the cost of care will be greater,' says Catriona Lumiste, SOLLA-accredited later life adviser.

DOWNSIZING

RETIREMENT INTEREST-ONLY MORTGAGES

Similar to lifetime mortgages, these are designed so you pay interest payments monthly but only pay off the capital when you die or go into care. You'll have to pass mortgage affordability checks to prove you can afford the monthly repayments.

IMMEDIATE/DEFERRED CARE PLANS

Another option, rather than selling the house and simply using the cash to pay care-home fees until it runs out, is an Immediate/Deferred Care Plan. This will take a big chunk of capital but the income is tax free when paid directly to a care

This option is considered by half of all pensioners, according to McCarthy & Stone's 2017 Retirement Confidence Index. While this seems like a practical solution, it's unlikely to free up as much money as you might expect, once you take into account the costs of moving. An online calculator (like zoopla.co.uk/home-values) will help work out how much you could raise.

RELEASING EQUITY

A lifetime mortgage is an increasingly popular way to pay for in-home care. There are no monthly repayments – the loan plus interest is repaid when the person dies, or the property is sold.

provider and it secures the shortfall in care costs for the rest of an individual's life.

For more information, visit: ukcareguide.co.uk/paying-for-care; the Society of Later Life Advisers (societyoflaterlifeadvisers.co.uk/find-an-adviser); The Money Advice Service's search tool (directory.moneyadviceservice.org.uk).

FINANCIALLY
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