

PROVIDING CARE ADVICE



There will already be people in your client base who have relatives and friends who are paying for care. The opportunity is there to let people know you're able to help.

Care fees advice offers a huge range of benefits to financial advisers who get involved:

- A valuable additional income stream.
- A way to diversify your business, both in age of client and in product mix.
- Being able to provide the appropriate financial advice during a time of need.
- The associated opportunities to offer more services like inheritance tax and estate planning, and general planning for beneficiaries and powers of attorney.

A different type of advice

For any client who needs to pay their own long-term care fees, finding a solution exposes many personal dilemmas. This includes the impact on capital assets, which may have taken years to accumulate and can reduce the amount they might otherwise have wanted to pass on to beneficiaries.

What this highlights is the difference between care advice and financial advice in its many other forms. Right at the start, the adviser needs to engage with the whole family. While it's the welfare of your individual client which is central, sensitivity to these issues and gaining the support of beneficiaries can be crucial.

The rewards can be great. In addition to an extra income stream to your business you can also provide much needed advice to clients in this very stressful situation. Helping them find a solution to their needs offers more than just financial reward. The support you provide to all those involved can result in a level of advocacy for your business which would otherwise take years to build.

To get started

Just is very keen to see the number of advisers in this area increase. Too many people are currently unable to access proper advice – and find themselves and their beneficiaries left with nothing as a result.

The minimum requirement for providing advice on care fees is a specialist qualification in long term care advice, for example, the [CII CF8](#) or the [LIBF CertLTCP](#).

Once qualified, accreditation for your achievements and level of expertise can also be sought via a Later Life Adviser Accreditation Scheme (LLAA) from specialist bodies such as the [Financial Services Skills Commission \(FSSC\)](#) and the [Society of Later Life Advisers \(SOLLA\)](#).

Just offers both interested and specialist care advisers support in a number of areas:

- [Forums and training sessions](#) to help with education and business ideas.
- [Support material](#) and lead generation tools to help start conversations.
- [A comprehensive care fees support section](#) on our dedicated adviser website, [Just Adviser](#).

THE CARE ADVICE PROCESS

To give effective care funding advice you need to consider the state and local government benefits system.

A core part of the process of providing advice within the care space is considering state benefits. It's vital your client claims all the state benefits they're eligible for when they're considering funding their care.

This is why it's good to know exactly how the care funding advice journey interacts with the various state benefits.

The care advice process we've outlined here is intended to give a framework for:

- the various state benefits
- the funding options available, and
- the consequences of the choices your client makes.

Whether your client is fully funding or part funding, they'll want advice from a qualified financial adviser to help them establish the most suitable funding methods. One of the main motivations is that the client doesn't run out of funds.

Questions you can ask a client may include:

- Does your health situation allow for full state funding? For example, NHS Continuing Healthcare (see page 4).
- Are you eligible for partial state funding? For example, [NHS Funded Nursing care](#).

Your client's local authority should carry out a full care assessment – [under Section 9 of the Care Act](#).

This assessment can include contributions from all the health and social care professionals involved. It will also help build an overall picture of your client's needs.

In some cases, your client will have already had their care assessment carried out. If they have, they'll have an idea of their assessed needs and their likely costs.

In England, you can find information about health and social care by visiting moneyhelper.org.uk/en/family-and-care/long-term-care

In Wales, you can find information about health and social care by visiting gov.wales/health-social-care

In Scotland, you can find information about health and social care by visiting gov.scot/policies/social-care/social-care-support/

In Northern Ireland, health and social care assessments are carried out by the local trust. You can find your nearest trust by visiting nidirect.gov.uk/contacts/health-and-social-care-trusts

Everyone is entitled to a care needs assessment regardless of their means.

If your client hasn't had their care assessment, make sure they get it done before you advise them.

Your client might not be claiming all the benefits available to them. This means that their financial review with you could pay for itself, once your client's identified and received any unclaimed benefits.

LOCAL AUTHORITY ASSESSMENTS

It's always important to firstly get a [local authority assessment](#) of your client's care needs and finances.

The care needs assessment

Processes vary depending on where your client lives. That's why you should ask your client's local authority for a written guide on its assessment procedure. You may also be able to read about it on their website.

A social worker from adult social services will usually visit your client at their home to review their care needs.

It's a good idea for a friend or relative to be present during the assessment, if possible. This is so they can help or provide further support or information for the person needing care.

The assessor will then write a report about your client's care needs. This report will explain which type of care is most suitable for your client, including any special requirements. The report will also include information on your client's physical, psychological, social and cultural needs.

Once your client's care needs assessment is done and their finances have been assessed (see 'The financial assessment' section on the next page), the local authority will decide what care services it can provide.

A client's needs have to be assessed as being at a relatively high level for them to qualify for local authority support. The eligibility criteria are set nationally, but community care services may vary depending on what the local authority can afford.

One of the outcomes of the assessment may be qualification for NHS Continuing Healthcare. This will only be the case where the individual's primary need is healthcare. Funding for this comes from the NHS – not the local authority.

The financial assessment

State assistance with the cost of social care is means tested. This is primarily done by imposing upper and lower capital limits on the value of a person's:

- savings
- property, and
- other assets.

Some assets can be disregarded, in certain circumstances.

If someone's total assets (including property) are worth under £14,250 in England and Northern Ireland or £21,500 in Scotland the local authority pays their full care costs.

The local authority may expect a contribution if the individual is receiving certain benefits or any income. If a person's personal assets exceed £23,250 in England and Northern Ireland or £35,000 in Scotland they'll normally be expected to pay for their own care in full.

Wales has an upper limit of £24,000 for non-residential care and £50,000 for residential care.

A reducing scale of support applies between the higher and lower amount. This is based on the person contributing £1 a week for every £250 in assets over the lower amount.

Example:

In England and Northern Ireland someone with assets of £18,000 must contribute £15 a week ($£3,750 \div £250 \times £1 = £15$) towards their care.

Information correct for the 2024/25 tax year.

Local authority means testing aims to include most capital and savings held in an individual's name. This includes:

- bank and building society accounts
- National Savings and premium bonds
- stocks, shares and investment products
- income from state, personal and occupational pensions, and
- property and land (less any mortgages).

Some assets are disregarded by the means test. These include:

- value of life policies/annuities
- some compensation payments held in trust, or by the courts
- some investment bonds with a life assurance element (check with provider), and
- property that continues to be inhabited by a partner, dependant or other parties.

Finding out what benefits are available to clients can be quite time-consuming. To do it, you must have an up to date, good working knowledge of the eligibility criteria. There are various organisations that can help you in this area.

There are web based benefits calculators which can be found on the [gov.uk website](https://www.gov.uk). These can be used by advisers and clients to estimate what benefits may be available.

Your client will still have to go through the application process to establish exactly what they qualify for. To do your estimate, you can use the calculators [here](#).

You can also find further guidance on financial assessments on the [MoneyHelper website](#). This includes information on how to challenge decisions if your client feels the decision that has been made is unfair.

The charity [Age UK](#) also offers guidance and advice on completing the Attendance Allowance application process (for more information about Attendance Allowance, see the next page). Using this resource can make the process easier and quicker – for you and your clients.



STATE BENEFITS

Part of the process of advising clients about funding long-term care is making sure they claim any available state benefits.

Your advice process can also highlight ongoing changes in care costs – and the implications of running out of funds.

Attendance allowance

The attendance allowance is a non-means tested, tax-free benefit. A client may be eligible for this benefit if a number of things, including the below, apply.

- They have reached their State Pension age.
- They have a physical disability (including sensory disability, for example blindness), a mental disability (including learning difficulties), or both.
- They have a disability that is severe enough for them to need help caring for themselves or someone to supervise them, for their own or someone else's safety.
- They have needed that help for at least six months (unless they are terminally ill).

You can't usually get Attendance Allowance if you live in a care home and your care is paid for by your local authority. You can still claim Attendance Allowance if you pay for all your care home costs yourself.

There are two rates of attendance allowance:

- 'higher' – for care around the clock, and
- 'lower' – for part-time assistance.

The current weekly attendance allowance rates are:

- £72.65 for the lower rate, and
- £108.55 for the higher rate.

Information correct for the 2024/25 tax year.

Personal expense allowance

Individuals whose care fees are paid by the state can keep a small allowance from their incomes for personal use. This personal expense allowance is currently £30.15 a week in England, £34.50 in Scotland, £43.90 in Wales and £32.69 in Northern Ireland. Information correct for the 2024/25 tax year.

The process for claiming state benefits can be confusing. You can find support from several charities that have considerable experience in the documents and associated processes. Age UK can assist with the completion of benefits applications.

Receiving income from a care plan could affect your client's means tested benefits. This is because having a care plan increases the total income available to the claimant.

NHS Continuing Healthcare

When advising clients (and their families) about care funding options, you first need to establish whether they should be paying for it themselves.

You should look into the possibility of whether the NHS should be funding the care through [NHS Continuing Healthcare](#).

This can make a huge difference to the financial position of your client. This is because it may mean the NHS covers the full cost of their care.

NHS Continuing Healthcare covers the cost of care for those whose 'primary need' for care relates to their health. However, for most people requiring care, NHS Continuing Healthcare isn't appropriate. This is because there's quite a strict assessment process they go through to ascertain if they meet the 'eligibility criteria'. However, it's something you should always consider - if only to discount it as a means of funding.

NHS Continuing Healthcare is a package of continuing care provided outside of a hospital. It's arranged and funded solely by the NHS, for people with ongoing healthcare needs. It can be provided in a variety of settings, including the home.

To meet the criteria and qualify, clients are likely to:

- have a complex medical condition that requires a lot of care and support
- need highly specialised nursing support, and
- possibly be near the end of their life, with a rapidly deteriorating condition.

Getting NHS Continuing Healthcare doesn't depend on having a specific health condition or diagnosis.

The first step is for the client to have their care needs assessed by a health or social care professional. To do this, they'll use a screening tool called the Checklist Tool.

If this screening suggests your client may be eligible for NHS Continuing Healthcare, they'll need a full up to date needs assessment. This will be done using a tool called the Decision Support Tool.

The full assessment will be carried out by a multidisciplinary team. The assessment will include contributions from all the health and social care professionals involved. This assessment will build an overall picture of your client's need.

The multidisciplinary team will then make a recommendation to the Clinical Commissioning Group about eligibility for NHS Continuing Healthcare.



NHS Funded Nursing Care

Your client may need care in a nursing home but not be eligible for Continuing Healthcare. In this case, your client may be entitled to NHS Funded Nursing Care. This was previously known as the Registered Nursing Care Contribution - or RNCC.

NHS Funded Nursing Care is:

- provided by a registered nurse
- paid for by the NHS, and
- for people who live in a care home.

People can get NHS Funded Nursing Care if:

- they live in a care home registered to provide nursing care, and
- they don't qualify for NHS Continuing Healthcare but have been assessed as needing care from a registered nurse.

With NHS Funded Nursing Care, the NHS makes a payment direct to the care home. This is to fund care from registered nurses usually employed by the care home.

Always make sure the care provider explains how the NHS funding will be accounted for within their fee-charging structure.

Many types of dementia – even some severe ones – don't qualify or meet the criteria for NHS Continuing Healthcare. Someone with severe dementia, who funds their own care and doesn't qualify for fully-funded NHS Continuing Healthcare will still be entitled to other benefits which will help, such as Attendance Allowance.

12-week property disregard

If a client has to sell their property to help pay for their care fees, they can get some breathing space.

With the '12-week property disregard', the local authority pays any care home fees for up to 12 weeks. They'll only do this if the value of the client's other assets falls below the upper-assets limit for state care funding.

This 12 weeks can give the client time to sell their property. If the property still isn't sold after 12 weeks, the local authority may offer the client a Deferred Payment Agreement. Under this scheme, your local authority will pay the care fees until the property is sold. The care fees will need to be repaid once the property is sold.

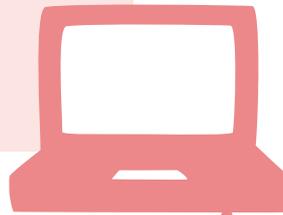


THE ADVICE PROCESS

The advice process can highlight the ongoing changes in care costs – and the implications of running out of funds. The following step-by-step guide shows all the areas involved.

1 The client has a care needs assessment

Make sure your client has a care assessment under Section 9 of the Care Act. This will help you establish the level of care they need and highlight whether the primary need is health related in which case a referral to the appropriate NHS body to **identify qualification for either 'NHS Continuing Healthcare'** or Funded Nursing Care should take place – where the responsibility of care rests with the NHS.



2 The client has a financial assessment

A local authority financial assessment will identify if your client can access any state funding. This assessment will be done by looking at your client's assets and income.



3 You have your initial meeting with your client

If it's established that your client needs to go into care, then the 12-week property disregard may apply. Your client's other assets will be assessed in the usual way.



4 You request a quote

Complete our easy to use [Care Fees Plan Questionnaire](#). You can also apply for any other products you think the client might need.





5 We collect medical information

The Care Fees Plan Questionnaire declarations give us permission to request reports from your client's GP and their care provider. These reports and the application form give us the information for full medical underwriting.



6 You recommend care funding solutions

Once the quotes have been received from the providers, your report should be produced. The report analyses the various methods of care funding available for your client. It should also outline the advantages and disadvantages of each method. This will all be based on your client's attitude to risk and their personal circumstances.



7 Your client makes a decision

The client accepts the recommendations and signs the acceptance documentation.



8 You plan future advice needs

Have you considered things that may be needed in the future?
These can include:

- Power of Attorney
- writing/updating a will
- care fees capping
- areas of support for the individual or family (charities or other organisations), and
- any further financial requirements.



CARE PLANNING CHECKLIST

Care related matters	
Has a local authority social services 'care needs' assessment been undertaken? (Local authorities must carry out if requested to do so regardless of means.)	Yes <input type="radio"/> No <input type="radio"/>
Is any nursing care required at this time?	Yes <input type="radio"/> No <input type="radio"/>
If nursing care is required:	
<ul style="list-style-type: none"> • Could they meet the criteria for 'Fully Funded NHS continuing care?' (Potentially available in your own home or a nursing home.) 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • If not, are they eligible for the Funded Nursing Care (FNC) contribution? (You need to be self-funding in a nursing home to get FNC.) 	Yes <input type="radio"/> No <input type="radio"/>
Has an Attendance Allowance application been made?	Yes <input type="radio"/> No <input type="radio"/>
If an Attendance Allowance application has been made, is it for the higher rate (payable if care is needed during the day and night)?	Yes <input type="radio"/> No <input type="radio"/>
If a care home is required does it meet the needs of the client?	
<ul style="list-style-type: none"> • Is there a written contract between the resident and the care home? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Is there clarification on what the fees cover and what extras will have to be paid for? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Will the room in the home be secure or could they be asked to find alternative accommodation at short notice? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Has the home's complaints procedure been looked at? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Is there a resident's committee and a relative's group? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Have provisions been made if care needs increase? 	Yes <input type="radio"/> No <input type="radio"/>
Financial and property related matters	
Is the client entitled to Pension Credit?	Yes <input type="radio"/> No <input type="radio"/>
Has the total value of all assets been calculated?	Yes <input type="radio"/> No <input type="radio"/>
Are they below the local authority threshold?	Yes <input type="radio"/> No <input type="radio"/>
Does the client have any insurance that may cover care costs e.g. long-term care insurance?	Yes <input type="radio"/> No <input type="radio"/>
Does the client own the property?	
<ul style="list-style-type: none"> • If yes, has the 12 week disregard been considered? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Do they intend to sell it? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • If yes, is it on the market? 	Yes <input type="radio"/> No <input type="radio"/>
If the property is empty, have domestic bills been taken care of?	
<ul style="list-style-type: none"> • Have gas, electric and water providers been informed that the property will be empty? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Have internet, phone and TV providers been contacted? 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Have the council been informed that the property will be empty? (Possible council tax exemption.) 	Yes <input type="radio"/> No <input type="radio"/>
<ul style="list-style-type: none"> • Is the property insured and have insurers been notified if property is to remain empty? 	Yes <input type="radio"/> No <input type="radio"/>

Financial and property related matters (Continued)	
Have plans been made for the ongoing maintenance of the property?	Yes <input type="radio"/> No <input type="radio"/>
Have plans been made for personal possessions and possible disposal?	Yes <input type="radio"/> No <input type="radio"/>
Has longer-term funding from the local authority been investigated?	Yes <input type="radio"/> No <input type="radio"/>
If appropriate, has a deferred payment agreement been explored with the local authority?	Yes <input type="radio"/> No <input type="radio"/>
If local authority funding is provided, will this and the client's income meet the cost of their fees?	Yes <input type="radio"/> No <input type="radio"/>
Has the client taken specialist financial advice on care fee planning?	Yes <input type="radio"/> No <input type="radio"/>

Legal matters	
Has the client made a recent will?	Yes <input type="radio"/> No <input type="radio"/>
Is there a power of attorney involved? If yes, have you checked whether there are any conditions in the power of attorney document?	Yes <input type="radio"/> No <input type="radio"/>

Miscellaneous	
Has the client made any arrangements or have any specific wishes for their funeral or have they got funeral plan insurance?	Yes <input type="radio"/> No <input type="radio"/>
Is there a possibility of any help or support from specialist support groups, such as the Alzheimer's Society?	Yes <input type="radio"/> No <input type="radio"/>

FOR MORE INFORMATION

Call: **0333 043 7040**

Lines are open Monday to Friday, 9.00am to 5.00pm

Email: ltc@wearejust.co.uk

Or visit our website for further information: [justadviser.com](https://www.justadviser.com)

Please note your call may be monitored and recorded and call charges may apply.

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