

Leading firm of IFAs help an 87 year old to protect her investments in care funding case with local Council

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It has become something of a lottery in recent times to have the chance to have your care fees met by your local Health Authority rather than by your family or out of your own pocket. It is often dependent on what part of the country you live in and although the Government has introduced means testing, inconsistencies still persist and many elderly people often with severe illnesses end up having to pay for their long term care themselves.

McCarthy Taylor, a leading Evesham and Worcester- city based firm of IFAs has managed however to protect the investments of one of their clients in a dispute over care funding with Gloucestershire County Council.

One of McCarthy Taylor's clients, Mr Derrick Blake, approached the firm over his 87 year old mother who was already in a care home but her health had deteriorated to the point where she needed to have nursing care. This ultimately led to an increase in the cost of her care funding.

Gloucestershire County Council had asked Mr Blake to provide a list of her assets and income so they could establish what level of contribution they would make towards these costs. Mr Blake included in his list an investment bond which McCarthy Taylor had set up for his mother in 2004, which did comprise the majority of his mother's assets. Mr Blake asked McCarthy Taylor to see if they could arrange withdrawals from the bond in order to fund the additional costs of the care, as the Council had taken the bond into consideration for the fees they were willing to pay.

McCarthy Taylor were able to point out to Mr Blake that investment bonds such as the one his mother held could not be taken into consideration for care costs, as laid down in CRAG (Charging for Residential Accommodation Guide) and provided an article from CareAware to back this up. Mr Blake forwarded this to the Council but they stated that they did not believe Mrs Blake's bond fell under the guidelines for exemption (although they did say that if he could provide evidence they would reconsider their decision.)

Acting on Mr Blake's behalf, McCarthy Taylor sent a letter to the Council quoting the exact wording from the CRAG, enclosed the part of the policy document which confirmed that the bond had been set up in the way stated in CRAG and was therefore exempt. They also enclosed a copy of the 'Key Features Document' from the bond's provider which strengthened their argument.

In what turned out to be a successful challenge, Mr Blake telephoned the Council on 18th August and was told that they had agreed that the bond was exempt from being included as part of Mrs Blake's assessment. Mr Blake is still waiting for written confirmation from the Council.

Commenting on the outcome of the case, Paul Taylor, Managing Director at McCarthy Taylor said,

"It is becoming more and more important to consider the possible payment of care fees when planning your future finances. It is advisable to seek advice early and look at ways of protecting your

investments and making sure that you receive the funding from the Government that you are entitled to for long term care. Once it becomes apparent a person needs long term care it is too late. The time to protect assets in this way is to take appropriate advice from specialists on setting up the investment”

For further information on this press release please contact Paul Taylor at McCarthy Taylor on 01386 422611 or email paul@mccarthyttaylor.co.uk or Hilary Davies at 01386 425126 or Bryony Hancox's PA on 01386 425111

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