



Half of older care home residents paying their own charges, underlining growing importance of financial advice

- Official figures show even split between older people in care homes funding their own care (49.6%) and state-funded residents (50.4%)
- 52% of over 45s approaching a local council to arrange care would welcome a referral to a professional financial adviser, Just Group research shows
- New care rules set to highlight importance of financial advice when planning care costs

There is a 50/50 split between self-funded and state-funded residents in care homes for older people, new figures from the ONS have uncovered¹, indicating a key role for financial advisers in helping people to navigate a new care funding system according to **retirement specialist Just Group**.

While just over a third (36.7%) of all care home residents are funding their own care, this rises to around four in 10 (39.2%) for care homes providing dementia care and just under half (49.6%) among those in care home for over 65s.

In total, the figures estimate around 135,000 people are self-funding their care in homes for older people or those providing dementia care.

With new rules around funding care set to be introduced by the government, financial advisers will have a key role to play in supporting people paying for their own care in navigating what is still likely to be a complex system according to Just Group.

The research², carried out before the Prime Minister's care funding announcement, found that the majority of over 45s (52%) approaching a local council to arrange care for themselves or a loved one would find a referral to a professional financial adviser helpful in planning how to meet care costs.

Over a quarter (26%) would then arrange to meet a financial adviser, 16% would make contact over the phone and 14% said it would prompt them to speak to their own adviser. Only one in seven (14%) said that they would choose not to speak to an adviser if they were referred to one.

"The evidence shows there are well over a hundred thousand people funding their own care in homes for older people or those suffering from dementia," said **Stephen Lowe, group communications director at Just Group**. "Organising care is an onerous undertaking and requires good knowledge of the funding and benefits system and how they can affect an individual's financial circumstances.

"The Prime Minister's reforms may start to address long-standing issues within the sector, but as with any new system it will be vital that people receive support to understand their options and make the best decisions for themselves and their family members.

"Financial advisers will continue to play an important role in encouraging people to consider care costs so they have a plan in place and are not surprised by the fees they may have to pay."

He added that a clear business opportunity exists for advisers with the professional qualifications, knowledge and experience of the care market to provide financial planning for those organising care for relatives or planning their own financial future.

“Currently, advisers are not at the front of people’s minds when people think about where they might seek support, with just 13% saying they would seek the help of a professional financial adviser,” said Stephen Lowe.

“However, when prompted with the idea of a referral to an adviser by their local authority only one in seven said that they would turn down the opportunity. Care is in the spotlight following the reforms the Prime Minister announced. Advisers who have the expertise, skills and qualifications in this area could quickly become the ‘go to’ experts in what is likely to be a growing business area in the near future.”

Enquiries

Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301
press.office@wearejust.co.uk

Temple Bar Advisory

Alex Child-Villiers
William Barker
Sam Livingstone

Telephone: +44 (0) 20 7183 1190

Notes to Editors:

About the research

1. **ONS**, Care homes and estimating the self-funding population, England: 2019 to 2020:
<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/socialcare/articles/carehomesandestimatingtheselffundingpopulationengland/2019to2020>
2. **Just Group**, online survey among 1,000 adults aged 45 years and older in England and Northern Ireland, conducted 7-13 April 2021 by Opinium

About Just

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets, Just has been trusted to manage over £23 billion of customers’ retirement savings and has helped customers release £5.8 billion from their properties.

Just provides the following wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees:

Marketed Products

- De-risking solutions for pension scheme trustees who want to remove the financial uncertainty of operating defined benefit pension schemes;
- Individually underwritten retirement income products delivering a guaranteed income for life;
- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

Professional services

- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and
- A range of business services tailored for our corporate clients, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.

The companies within Just Group are authorised and regulated in the United Kingdom by the Financial Conduct Authority and / or the Prudential Regulation Authority.

Just Group plc is registered in England and Wales with company number 08568957. Its registered office is at Enterprise House, Bancroft Road, Reigate, Surrey, RH2 7RP. Just is a trading name used by Just Group plc and its group companies. For information about Just Group plc and its group companies visit www.justgroupplc.co.uk or www.wearejust.co.uk. Please contact us if you would like this document in an alternative format.



www.justgroupplc.co.uk



@wearejust_pr