



Guide for firms that don't give care advice in-house

How to be seen as responsive and supportive of
clients and their family members in care related
vulnerable circumstances

Introduction

If you're an advice firm specialising in a given target market, perhaps wealth management, pensions or later life lending, or a firm offering a more broad-based financial planning service, you may not have developed a specific later life proposition and/or you may not want, or be qualified, to offer care advice (either non-regulated or regulated paying-for-care advice).

However, increasingly many firms are seeing a need to develop both a basic understanding of social care and offer some level of support for their clients, due to both the impact funding social care can have on non-care related financial advice and planning as well as the ongoing regulatory focus on consumer duty and vulnerability.

The importance of non-regulated care advice?

The FCA regulate paying for care advice, in other words suitability when it comes to how best a client pays for their own care when they are what is called a 'self-funder' (they have enough money to pay for their own social care). This includes advice in respect of specialist retail investment products such as Immediate Need Care Annuities.

However, most clients will need significant help and support in respect of the non-regulated aspects of care advice that arise some time earlier when clients or their family members first need care. Essentially such advice is in respect of four common questions that arise:

1. Where can I get care that's now urgently needed locally?
2. How will I know if it's suitable and of a good standard?
3. Who has to pay for it? In other words, are there any sources of funding available from my local authority, central government, the NHS or anywhere else, or am I going to have to pay some or all of the costs myself?
4. If I am going to have to pay, what are my options?

The client perspective

Most people do not know who to turn to when it comes to finding answers to the above questions, and when they do that the accuracy of information they are likely to receive can unfortunately vary considerably. In the worst of cases, they are given information that is incorrect despite coming from what most see as what should be reliable sources.

The adviser perspective

Not addressing accurately some of the non-regulated aspects of care advice can have a negative impact on financial advice and planning

- Good social care is very expensive and the likely costs and the extent to which it might increase over time need to be factored into most cash flow planning exercises

- Many aspects of unregulated social care can impact negatively on good outcomes from financial advice and planning, for example
 - Not understanding the many ways that Later Life Lending can prevent clients getting funding for care from their local authority at some future point
 - Not understanding the circumstances whereby clients might have the cost of care funded by their local authority or the NHS
 - Not understanding the rules around deliberate deprivation when it comes to protecting assets from care fees
 - Not understanding the full implications of Asset Protection Trusts when it comes to attempts to protect assets from care fees.

It can also cause problems when it comes to both adherence to Consumer Duty and the fair treatment of vulnerable consumers:

- The Consumer Duty cross cutting rule of avoiding foreseeable harm requires firms to proactively identify and prevent potential harm (see examples above)
- Unpaid carers and those in need of care typically represent the biggest cohort of vulnerable clients many advice firms have. Being able to offer support to both groups can be a cornerstone to an effective vulnerable person's policy.

How My Care Consultant can help

MCC can help firms that do not give care advice in-house to create a low/no cost referral proposition that provides clients and their family members with:

1. Access to guided information in respect of the non-regulated aspects of care advice, helping find and fund their social care
2. Access to experienced independent care navigators to help with specific social care issues or problems your clients may be facing
3. Access to relevant professional services including qualified regulated financial advice if you are not able to give paying for care advice from within your firm

1. Giving clients and their family members access to critical information in respect of the non-regulated aspects of care advice



My Care Consultant had distilled its extensive knowledge of social care into a unique, online 'one stop shop' called My Care Hub. Launched in 2024 and used by a growing number of Financial Advice firms, My Care Hub supports clients through their full care journey, with clear, layered, guidance, while at the same time supporting you the advice firm with your approach to both Vulnerability and Consumer Duty.

Here your clients will be able to quickly get to grips with the way social care operates across the UK, find suitable care and get answers to common questions about funding.

To discover how My Care Hub can transform the support you offer, go to:

<https://mycareconsultant.co.uk/care-hub/>

...or if you'd like to go straight to our Adviser Guide click on the following link:

<https://mycareconsultant.co.uk/wp-content/uploads/2024/04/Adviser-Guide.pdf>

2. Access to an experienced care expert who can give 121 advice



For firms who make My Care Hub available to their clients, My Care Consultant (MCC) will continue to provide additional 121 telephone-based advice with a care expert if needed, subject to a one- off additional fee disclosed before any such advice is given.

If MCC doesn't have the capacity to deliver urgent 121 advice within timescales needed, MCC is able to refer clients to other independent care navigators that we are confident have both the required knowledge and expertise to provide comparable 121 support.

3. Access to relevant professional services including qualified regulated financial advice



When it comes to your clients getting regulated paying for care advice, you may well have a local firm with the necessary experience to whom you are comfortable referring your clients. As long as they have an adviser with the appropriate qualifications (for example the CII's CF8 exam), this may be a route that you are most comfortable with. Alternatively, My Care Hub contains a link to a directory of firms all affiliated with The Society of Later Life Advisers (SOLLA)– although we always signpost users back to their trusted adviser in the first place.