



# Talking with older people about money

## Talking to someone about long-term care

According to Independent Age, while 82% of people think it's important to talk to an older relative about where they would like to live if they could no longer live at home, just 23% of people have actually discussed this with their loved ones. While some people will be able to continue living in their homes, some will need the extra support offered by residential care.

Thinking about needing to leave your home is one of the hardest issues to face, so it could be an incredibly hard conversation to have. Leaving emotion out of it can be difficult because of the huge life changes ahead – for you and your relative.

The main thing is, the sooner you talk about it, the better. Don't leave it to the point when your relative needs urgent care. The only choices available may not be what they really wanted and this could make things more stressful for all involved.

Things you could discuss include:

- Who will care for them when they're older?
- Where would they like to live if they can no longer live at home?
- Who might they like to make decisions for them if they no longer can?
- What is their vision of how their end of life care will look?
- Are they struggling with their finances? If so, what would they like to do about it?
- Are they experiencing difficulties with their memory?

### What's the best way to get the conversation started?

- Keep things general. Talk about others who have been through similar experiences recently relating to care and how they are dealing with it - the good and the bad.
- You could talk about what you would want when you are older so that the conversation remains open and inclusive.
- If you bring the subject up early enough, you can speak very generally about care homes. You can gauge your parents' wishes then, so you can act appropriately when the time comes.

## Talking with siblings about parents' long-term care

If you have siblings, you might need a separate conversation on how to best work together to make sure roles and responsibilities for the care of your parents are clearly set out.

If the responsibility falls on one sibling, they could easily get resentful of the others, and those who aren't doing the caregiving could feel guilty for not being able to help out as much.

You may prevent relationship problems further down the line by talking about what is possible and practical to give so everyone is clear.

Things that are good to agree in advance could be:

- Who will tell your parent if you feel the time has come for them to move residential care?
- Who will take the responsibility for arranging a move into care?
- Who will take responsibility for telephone calls from the care home?
- How will you share visiting responsibilities?

Consider talking about a family care contract, in which the family member taking responsibility of the elderly parents gets paid from family funds. This could reduce resentment and offers other benefits:

- allowing your parents to remain at home
- receive quality care
- financially rewarding the individual that is providing that care.

Remember that a family care contract is a legally binding document so the carer and other siblings should understand the implications of what's involved before setting one up. There can also be complications in the future if your loved one becomes eligible for direct payments for care as there are different rules about employing family members depending on where you live in the UK. You can find out more on the [Carer's UK website](#).

### Talking about paying for care home fees

According to the Live-in Care Hub No Place Like Home Report, nearly half of people said that not knowing how to start the conversation might, or has, stopped them having a discussion with their family. While just under two per cent have spoken to a financial adviser about care costs.

Working out the best way to pay for care home fees can be extremely complicated and it's worth planning ahead. The Money Advice Service has a lot of useful information on planning for care costs you may find useful, including:

[How to fund your long-term care – a beginner's guide](#)

[Paying for care](#)

[Benefits you can claim when you have care needs](#)

Independent Age also has a [really useful guide](#) on how to have conversations with an elderly relative you might want to check out, including practical tips and advice on how to make important decisions.

## Talking to someone about power of attorney

As we see people close to us getting older we can start to worry about how they will make good financial decisions in the future, particularly if they lose mental capacity.

According to the Alzheimer's Society, one in 14 people in the UK is living with dementia and after the age of 80 this rises to one in six, making it a very real problem that thousands of families face every day.

One of the most important conversations we can have to help our older relatives is to talk to them about how they would want decisions to be made about their property and finances if they were no longer able to make them for themselves. The best time to do this is when they are feeling fit, well and able to say what they would like to happen.

Of course, there are lots of ways you can help someone to keep on top of their bills and everyday money decisions by offering to open post, help with paperwork or going with them to appointments at the bank or building society. For ways you can do this see our guide [How to help someone to manage their money informally](#)

If they have to spend a long time in hospital which would make financial decision making difficult, you could talk about setting up an ordinary power of attorney. This is a temporary arrangement that allows you or a named person to look after their money while they are unable to manage. To find out more see our guide [Preparing for old age, illness and death](#).

However, to really ensure your loved one is protected if they were to lose mental capacity you could try to talk to them about setting up a lasting power of attorney. This gives a named person legal authority to make important financial decisions on behalf of someone if they are unable to do it themselves. It usually kicks in when they lose mental capacity - but can be whenever they choose it to start.

Waiting until someone has lost mental capacity before setting up a lasting power of attorney makes things much more complicated and can delay urgent decisions, such as paying for care home fees. You would need to get medical proof the person no longer has mental capacity, then ask the court to appoint someone to oversee their affairs. It's expensive and your loved one may end up with someone making decisions about their life they would never have chosen.

**Conversations about power of attorney can be triggered by:**

- seeing a leaflet, TV show plotline or newspaper article on the subject
- something relevant happening in your life, which means you can ask leading questions, such as; 'My friend's mum is thinking about moving into a care home. Is that something you would want to do when you get older?'
- your loved one being given a medical diagnosis that might mean their mental capacity will deteriorate.
- making a will. It might now be a good time to encourage them to consider a lasting power of attorney.

It's really important that you respect your loved one's views and make it clear that you are not trying to take over their financial affairs. However, it's worth explaining:

- they might prefer someone they love (you) to make decisions for them, rather than a stranger.
- Setting it up doesn't mean you have to give up control. Usually the power of attorney will only come into force once it has been registered.
- You can cancel your power of attorney at any time. But you must have the mental capacity to make that decision.
- It takes around 8 to 10 weeks to register a lasting power of attorney, so waiting until someone is showing signs of losing mental capacity is not a good idea.

If setting up a lasting power of attorney is something you want to explore further together, check out our [Power of attorney guide](#) for more information on the topic.

If you're worried about how the person you want to talk to might react and want help on how to handle a conversation on money and care issues when you're getting older, read our guide [How to talk about money](#).



**For more help see our guides on our site:**

Talking to children about money

Talking to yourself about money

Talking to your partner about money

Talking to friends about money

Talking with older people about money

Money Advice Line **0800 138 7777\***

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