

Financial Adviser, 7 July 2011

Dilnot's on the right track for clarity

Story by: Julia Bradshaw

The Commission on Funding of Care and Support's report will bring greater clarity to consumers, providers and advisers, commentators across the industry have claimed.

Tom Stevenson, investment director for Fidelity International, praised the proposals, saying that the suggested £35,000 cap meant savers could start planning for their long-term care with a set figure in mind.

He said: "We are another step closer to providing individuals with certainty about what they need to do to prepare for old age. If Andrew Dilnot's recommendations are accepted by the government, insurance products are likely to be developed to cover the cost to the individual."

Clive Bolton, at retirement director for Aviva, agreed: "Many people only start thinking about their long-term care needs when they arise. With a clear cap on potential costs, the proposals may help many people to stay independent in their homes with long-term care support, with a clear idea of what they will have to pay, and how."

Andrea Rozario, director general of Safe Home Income Plans, said: "Financial service options such as equity release have a strong role to play in helping people contribute to their care costs."

Carl Lamb, managing director of Norwich-based Almary Green, which has three IFAs approved by the Society of Later Life Advisers, said he hoped the proposals would encourage those providers who left the pre-funding care market two years ago to return.

He said: "The report gives more clarity and as a result we will see new products on the market. As an adviser, the long-term care market is a good place to be.

"We intend to promote long-term care planning through our website to bring it to the forefront of people's minds."