



Caring for Vulnerable Loved Ones

Ensuring Financial Security for Your Loved Ones

As a carer, you're already managing a lot—and legal planning may feel like something for “later.”

Caring for vulnerable family members comes with unique financial planning challenges but taking simple steps now can make life easier for both you and those who depend on you.

Legal Tools You Need to have as a Carer

A Valid Will

A Will is a legal document that states what should happen to your money, possessions and dependents when you die.

For carers, getting the right advice when writing a Will is especially important — it ensures your loved one's future care and financial security are properly planned for, and that your wishes are legally protected.

Without a valid Will, the law decides how your estate is distributed, which may not reflect your wishes.

With a Will, you can:

- Add a letter of wishes detailing how someone you care for should be supported.
- Establish a trust to provide ongoing financial help for loved ones
- Name a trusted person as executor or trustee to ensure ongoing responsibilities are handled appropriately.

A Lasting Power of Attorney

Lasting Powers of Attorney (LPA) is a legal document that allows you to appoint trusted people to look after your affairs in the event you lose capacity.

There are two types, the Health and Welfare LPA and the Property and Financial Affairs LPA.

Without an LPA, loved ones may need to apply for a Deputyship Order. This can take months and cost thousands of pounds.

With an LPA, you can ensure:

- That the person you care for will always have support.
- A smooth handover of all your affairs.
- Someone trusted can step in quickly to support both your needs and the continuity of care for your loved one.

How can a Trust help carers?



A trust is a legal arrangement where assets are managed by trustees for the benefit of a beneficiary. Including a trust in your Will can ensure provision to maintain a lifestyle, such as special equipment or trips, enhancing the quality of life for your loved ones.

Why carers might consider a Trust:

- To provide for someone who lacks capacity to manage money
- To avoid affecting means-tested benefits
- To delay access to inheritance until someone is older or more independent
- To protect a share of your home or assets for children or dependents

Common Types of Trusts used in Wills:

Discretionary Trust

Assets in this trust are not considered part of the beneficiary's personal assets, protecting state benefits and local authority care obligations.

Vulnerable Person's Trust

This trust names multiple beneficiaries, with the vulnerable person as the primary beneficiary. It offers special tax treatments, including protection from certain periodic inheritance tax charges.

Case Study: Sarah and her son Luke



Sarah is a full-time carer for her teenage son, Luke, who has learning disabilities and ongoing care needs. She also has two other children and wants to be fair in her Will — but worries about what will happen if she's no longer around to support Luke. Should he receive more because of his additional needs? Or could a larger inheritance affect his benefits or be difficult for him to manage?

To give her flexibility and peace of mind, Sarah included a **Discretionary Trust** in her Will. Rather than leaving fixed amounts to each child, the trust allows her chosen trustees to decide how best to use the funds for Luke's benefit, depending on his circumstances at the time. This means Luke's share can be increased if his needs grow, while still ensuring the other children are provided for. Because Luke doesn't legally own the assets, his entitlement to means-tested benefits remains protected, and decisions about spending can be made by people Sarah trusts.

For Sarah, this approach ensures all her children are considered, while providing Luke with tailored support — whatever the future holds.

Why you should seek advice when writing your Will?

Think of it like fitting the pieces of a puzzle together — the right advice ensures nothing is missing. Getting the right advice can bring clarity and reassurance, especially when caring responsibilities are complex. Whether you're supporting a blended family, managing informal care, or helping someone without capacity, a professional can guide you through your options and help ensure nothing important is overlooked.

