

Securing your family's financial future

Start the conversation: Why financial planning with older relatives matters

Discussing finances with older relatives can feel daunting, yet it's a vital conversation for everyone involved. Many families avoid these conversations due to discomfort, yet addressing financial matters early can prevent misunderstandings and reduce future stress. Understanding their financial situation and identifying potential gaps builds a foundation of transparency and trust.

From managing daily expenses to planning for long-term care, open conversations are essential. They offer an opportunity to address concerns, explore options such as income protection and make informed decisions together. Tackling these topics proactively helps families prepare for the future, safeguard their financial wellbeing and build intergenerational security.

WHY THESE CONVERSATIONS MATTER

Some families avoid financial discussions, often assuming there's no need. However, avoiding these conversations can lead to confusion and missed opportunities for effective planning. Early discussions enable families to work together, ensuring that care plans, estate distribution and financial wellbeing are managed smoothly.

Discussing finances also helps identify potential challenges before they arise. Whether it's unexpected care costs, managing an inheritance or simply ensuring day-to-day expenses are covered, these conversations can provide clarity and peace of mind for everyone involved.

KEY QUESTIONS TO ASK

Start by asking your relatives whether they've reviewed their living costs recently. Creating a budget that covers essentials, savings and one-off expenses can help manage day-to-day finances.

Younger family members can help find online deals or ensure tax allowances, such as the Marriage Allowance, are claimed.

Another critical question is whether they've considered the impact of Inheritance Tax (IHT) on their estate. Rising house prices and frozen tax thresholds mean more families face higher IHT bills. Strategies such as gifting assets or setting up trusts can help reduce liabilities, and a financial adviser can guide you through the best options.

PLANNING FOR THE UNEXPECTED

It's also worth discussing whether your relatives have an up-to-date Will and whether they've considered setting up a Lasting Power of Attorney (LPA). An LPA allows a trusted person to make decisions on their behalf if they're unable to do so, providing peace of mind for the whole family.

Long-term care costs are another important topic. These can significantly erode wealth, but options such as immediate needs annuities can help. Keeping all important documents organised and accessible is also essential to avoid confusion during critical times.

Early financial planning benefits everyone, reducing stress and ensuring your family's future is secure. By working together, families can make informed decisions and focus on enjoying their time together. ■

READY TO SECURE YOUR FAMILY'S FINANCIAL FUTURE?

Don't wait until it's too late. Start the conversation today. Whether it's planning for care costs, managing inheritance or simply organising important documents, taking action now can make all the difference.

For professional guidance tailored to your family's needs, please get in touch with us. Together, we can help you create a plan that provides peace of mind for generations.

THIS ARTICLE DOES NOT CONSTITUTE TAX, LEGAL OR FINANCIAL ADVICE AND SHOULD NOT BE RELIED UPON AS SUCH. TAX PLANNING IS NOT REGULATED BY THE FINANCIAL CONDUCT AUTHORITY, DEPENDS ON THE INDIVIDUAL CIRCUMSTANCES OF EACH CLIENT, AND MAY BE SUBJECT TO CHANGE IN THE FUTURE. FOR GUIDANCE, SEEK PROFESSIONAL ADVICE.