

## More than a quarter of HNW Baby Boomers have not saved for later-life care costs

- More than a quarter (28%) of HNW Baby Boomers surveyed have not ring-fenced money to fund any later life care they may need
- 38% of respondents agree that they will rely on the sale of their property in order to fund any later-life care costs
- Just over a third (34%) of respondents plan to spend their wealth so they qualify for government funding and their family wouldn't have to pay any care costs

More than a quarter (28%) of the Baby Boomer generation surveyed have not ring-fenced money to fund any care they may need and still leave their family some inheritance, according to research from wealth manager Charles Stanley. With residential care home costs of £56,000\* per year, the research - which polled over one thousand high net worth (HNW) individuals across the UK - reveals that UK HNWs may be seriously ill-prepared for the costs of later life.

When it comes to paying for any later-life care costs, there is clearly a reliance on other financial assets or people to help fund any care they may need. More than a third (34%) of Baby Boomer respondents agree that they will rely on the sale of their property in order to find the funds they need for care. This number rises among younger generations, with 42% of both Gen Z and Millennial respondents saying they'll rely on the sale of property to fund care costs.

However, the research does also show a considerable difference in attitude between generations when it comes to funding later life care. As many as 43% of Millennials surveyed agree that any care they need will be funded by their spouse, while just 26% of Baby Boomers feel the same. Similarly, Generation Z (43%) are much more likely than Baby Boomers (12%) to acknowledge that they will need financial support from their children in later life.

There are many who are planning to lean on government support when it comes to care costs, and therefore may be factoring this into financial planning considerations. Overall, 34% of HNWs are willing to spend their wealth to qualify for state support so that they or their family do not have to pay for care costs out of their own pockets. A quarter (25%) of Baby Boomers are planning to do this, while just over two fifths (41%) of Millennial respondents say the same.

Despite the significant costs that may be needed for later life and the reliance on family to support them, half (50%) of HNW individuals have not discussed the topic of later-life and long-term care with their families, with this rising to 57% of Baby Boomers.

**Harry Bell, Director of Financial Planning at Charles Stanley, comments:** "From a financial planning perspective, our research raises the alarm bells for a few reasons. With an ageing population and a soaring demand for later-life care, families risk having to make serious compromises in order to pay for unexpected long-term care costs. Later-life care is a family matter, and our research makes it clear that difficult conversations are not happening nearly as much nor as early as they need to.

## PRESS RELEASE

“Although we all hope for long-term independence in retirement, it’s vital to have the right plans in place to account for any eventuality. There is a delicate balancing act to be performed between gifting, spending and leaving enough funds for care - something a Financial Planner is best placed to assist with. A discussion with a financial adviser can go a long way to giving an idea of how best to set aside capital for use in later-life and create contingency plans best suited for each individual.”

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### Notes to Editors

\*[Care Home.co.uk](https://www.carehome.co.uk)

\*\* £43,488

### Methodology

The research was conducted by Censuswide, among a sample of 1,007 High Net Worth respondents across the UK (defined as either £200k investable assets, OR £200k household income). Minimum 250 respondents aged 60+ and minimum 50 respondents from Northern Ireland. The data was collected between 12.01.2024 and 17.01.2024. Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.

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