

Ribble Wealth Management Limited

NEWSLETTER



WINTER 2019

What a turbulent year 2019 was! The UK's departure from the EU has been repeatedly deferred, with the last pushback coming despite Boris Johnson stating that he would "rather be dead in a ditch" than agree to a further extension. However, following last month's General Election, in which the Conservatives won by a comfortable majority, winning 365 out of 650 seats – their best result since Margaret Thatcher's 1987 victory – it now looks like full steam ahead, with our Prime Minister expecting to take the UK out in just a couple of weeks.

However, it is still far from clear what kind of relationship a newly emboldened PM will seek with the bloc and, whilst Brexit may be "oven-ready", it's far from cooked through and a year (or more?) of negotiations lies ahead of us. Nevertheless, the pound and UK financial markets have reacted positively (at the time of writing) and we will continue to monitor client's portfolio holdings and react to developments as far as is possible.

Let us hope that 2020 will see a return to some semblance of normality – it's been a long time coming!

The clock is ticking...

...towards two deadlines – 31st January (the deadline for submitting your online Self-Assessment Tax Return) and 5th April (the deadline for ISA subscription for the 2019/2020 tax year). Help us to help you by getting in touch sooner rather than later if you need assistance with either of these...



BREAKING NEWS

After months of lobbying, we are delighted to announce that those of you who have investments within our main Centralised "Wrap" account (partnered with Standard Life) will see a reduction in charges by the end of April. Whilst the saving is not huge, it is to be welcomed given the diversity of investments that are permitted within the Standard Life offering.

As a result, clients with between £100,000 and £250,000 in their portfolio will see a reduction of £50 p.a., those between £250,000 and £500,000 will enjoy a saving (depending on their portfolio size) of between £50 and £175 – the greater the value, the greater the saving. Clients with more than £500,000 but less than £1 million will see a reduction of £175 p.a. Clients with portfolios in excess of £1 million can benefit from still further savings.

If your investments are not within the Standard Life Wrap platform, talk to us to see whether a change of platform is appropriate to your circumstances.



We are currently working with our developers on a new-look website which should go live very soon, with an improved layout and much greater functionality. If you haven't been on our site recently, why not have a look at www.ribbonwealth.com? We are sure you will be impressed!

And the winner is...



It was a delight to hear in June from *Acquisition International* that Ribble Wealth Management Limited had been nominated in the 2019 International Finance Awards. It was even more delightful to subsequently discover that we had been awarded the accolades of **"Best Holistic Financial Planning Service 2019"** and **"Most Outstanding in Investment & Pension Planning"** for North West England.

Further, in September we were contacted by *SME News* to be told that we had been nominated in their 2019 Finance Awards and, after their judging process was concluded in November, received confirmation that Ribble Wealth Management Limited had won both **"Best Holistic Financial Planning Firm"** and **"Most Outstanding in Tax Planning 2019"** for North West England.

Should you be worried 😞 about the potential impact of care home fees?

As you grow older, one of the things you might be most concerned about is the entire value of your home disappearing on paying care home fees. Care from the NHS is free, but if you need social care because you are physically or mentally frail, you will have to pay for it yourself.

Over recent years, care homes fees have risen rapidly. Research has found that Britons pay £10.9 bn of their own money into privately funded care each year. According to market intelligence provider, LaingBuisson, the average bill was £844 a week in 2018, compared with £445 a week in 1998.

If you have more than £23,500 (in England) in property, savings and investments, you will have to pay the full cost of care yourself during your lifetime and, if necessary, from your estate after you have died. This may not leave much for your family to inherit. Help from the local authority is available but it is strictly means tested, which results in very few people qualifying for financial help.

To avoid paying for their social care in the future, some people take steps to get rid of all their assets, but this may mean they could end up in a less luxurious care home than they had hoped for.

You may have heard of people protecting the value of their assets and property by putting them into a Trust. Great care needs to be taken, however, around the method and timing of this. The Local Authority can view such a step as a 'deliberate deprivation of assets' if they feel the intention is to avoid paying care fees and refuse funding as a result.

If you are considering using a trust, it is vital to get professional advice. In some cases, there might not be much benefit – your income might be enough to pay most or all your care fees anyway, and the level of other capital may be enough to meet any shortfall.

There were plans for the government to bring in a cap of £72,000 for care home costs in 2020, but these have been scrapped. In the recent Spending Review, an additional £1 billion for adult and children's social care was announced by Sajid Javid, although it is yet to be seen what that will mean in practice.

For advice on this often difficult and emotive subject, talk to us!