

LEARNING DISABILITY: **five things every adviser should consider when estate planning**

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Five things every adviser should consider in estate planning

Research carried out by Censuswide in 2026 found that almost a third (30%) of solicitors and financial advisers did not feel confident advising clients if they had a dependant with a learning disability or autism. When a sample of 501 professionals was asked about estate planning for clients with a dependent who has a learning disability and receives means-tested benefits, more than two thirds did not recommend a trust. This finding was surprising, given that 87% said they had received relevant training.

More broadly, the survey results highlight potential gaps in advisers' knowledge when supporting clients in these circumstances. These gaps could leave vulnerable dependents exposed to financial abuse or leave them at risk of losing their means-tested benefits. This briefing outlines five key considerations for advisers working with clients in this situation.

1. Consider risks associated with direct inheritance

Censuswide's research, commissioned by Mencap Trust Company, presented advisers with the following scenario: One of your clients wants to leave a £200,000 gift in their will to a loved one who has a learning disability and receives means-tested benefits. What, if anything, would you be most likely to advise?

Responses to the £200,000 inheritance question

Recommendation	Percentage
Set up a trust	32%
Leave to another family member and manage informally	24%
Leave inheritance outright	23%
Gift the money during lifetime	18%

This means nearly two in three advisers would initially favour an outright gift or an informal family arrangement. Both options carry significant potential risks for the vulnerable person and their wider family.

Means-tested benefits

A significant proportion of those surveyed appear to have underestimated the potential impact of giving inheritance directly to a relative who receives means-tested benefits. Depending on the individual's circumstances, the inheritance could affect their entitlement to certain benefits or support arrangements.

Financial abuse and exploitation

A substantial inheritance could also expose vulnerable individuals to coercion, scams, undue influence, 'cuckooing' or financial abuse. Only around half of those surveyed identified financial abuse as a significant risk.

Managing larger sums

Many people with a learning disability manage their own money well, but larger sums can bring new challenges. Some people may need support with budgeting, planning, investments, property, tax or other important financial decisions.

2. The risks associated with an informal family arrangement

Death or loss of capacity

If the family member managing the money dies or is no longer able to act, there may be no clear plan for who takes over responsibility. On death, the funds may be inherited by someone who doesn't feel obligated to use the fund for its intended purpose. Additionally, inheritance tax consequences can be more severe than if a formal or trust structure was used.

Divorce or financial pressure

Funds held or controlled informally may become exposed to competing claims, personal financial pressures or uncertainty if the family member's own circumstances change. If they become insolvent or go through a relationship breakdown, an informal arrangement offers no real protection against the funds being swallowed up by creditors or shared in divorce or dissolution proceedings.

Local authority challenge

If a person with a learning disability has not been adequately provided for financially, a local authority may challenge an informal arrangement, particularly if it has left the person without adequate financial provision while they rely on publicly funded care or support.

Adviser prompt

Before recommending an outright gift or informal family arrangement, consider:

- What means-tested benefits or support does the person receive and could they be affected?
- Do they need support to manage their money?
- If they don't currently need support, could this change if they inherited a significant sum?
- What safeguards are in place to ensure the money is managed appropriately?
- What safeguards might be needed in 10 or 20 years?

3. Beyond tax planning

Tax planning is important, and understanding how the different options will be taxed is a key part of your client's decision-making process. However, inheritance planning for a person with a learning disability **involves much more than tax.**

A more important question to ask your client:

Who will be responsible for the money **throughout** the vulnerable person's lifetime?

This brings wider considerations into focus, such as:

- Long-term financial security
- Safeguarding
- Trustee succession
- Family dynamics
- Future care and support needs
- Quality of life

A technically efficient solution is not necessarily the best solution if it cannot provide continuity and protection over the long term.

Adviser prompt

When reviewing recommendations, consider:

- Who will be making decisions in 5, 10 or 20 years?
- What happens if family circumstances change?
- How will the arrangement continue if key family members are no longer involved?

4. Consider whether a trust is the right solution

Trusts are commonly used because they allow assets to be managed separately from the beneficiary's personal finances and provide ongoing oversight of how the funds are managed.

Trusts are often considered where:

- The individual receives means-tested benefits
- Long-term financial protection is a priority
- The beneficiary may need support managing money
- The family wants greater oversight of how funds are used

Trusts are often used where means-tested benefits are a consideration because assets held in trust may be treated differently from assets owned directly by the beneficiary. The impact on benefits depends on the individual circumstances, the trust structure and how funds are used.

Common trust structures

Discretionary Trusts

Provide trustees with flexibility to make decisions based on changing circumstances and needs.

Disabled Person's Trusts

May provide favourable tax treatment where statutory eligibility criteria are met. Not everyone with a learning disability will qualify for a Disabled Person's Trust and specialist legal and tax advice should always be obtained before deciding whether this structure is appropriate.

Adviser prompt

Focus first on suitability and the family's objectives:

- Is a trust appropriate for the individual?
- What outcome does the family want to achieve?
- Who would be responsible for decisions regarding the trust?
- What are the advantages and disadvantages of a specialist trust?

Then consider the tax implications once the most appropriate structure has been identified.

5. Know when specialist support can add value

Those surveyed identified the most valuable characteristics of a specialist trust provider as:

- Communication tailored to individual needs
- Face-to-face engagement and relationship building
- Specialist learning disability expertise
- The ability to identify wider support needs and services

Consider specialist support where:

- The beneficiary may require communication tailored to their understanding, preferences and support needs
- Decisions require a detailed understanding of the dependent's learning disability or autism, and how their circumstances may change over time
- There are safeguarding concerns, including vulnerability to undue influence, exploitation or financial abuse
- The family needs a trustee who can take time to understand the beneficiary's life, relationships, routines and aspirations
- The dependent is likely to need ongoing personal support throughout their lifetime



Introducing Mencap Trust Company

Mencap Trust Company is a specialist, not-for-profit trustee service established by Royal Mencap Society to support people with a learning disability or autism. Mencap Trust Company:

- Acts as sole trustee, removing the need for family members to take on long-term trustee responsibilities
- Combines specialist trustee expertise with an understanding of the needs and circumstances of people with a learning disability or autism
- Provides ongoing beneficiary support shaped around the person's communication needs, relationships, routines and aspirations
- Has supported families and beneficiaries for over 50 years



A reminder: what is a learning disability?

Survey insight

Nearly half of advisers surveyed incorrectly defined autism or ADHD as a learning disability, while over 40% incorrectly identified a learning disability as a mental illness.

A learning disability is a reduced intellectual ability that affects how a person understands information, learns new skills and manages everyday activities. It is usually identified in childhood and lasts throughout a person's life. People with a learning disability may need support with understanding complex information, making decisions, managing money and living independently, although support needs vary significantly from person to person.

Some people live independently with appropriate support, while others require lifelong assistance from family members, carers or support services. They may take longer to learn new skills, understand information or navigate important life decisions. These differences in support needs can have important implications for financial planning, inheritance and future decision-making.

Why considered advice is important

Sadly we hear lots of examples from families where they didn't get the advice they needed. **Mencap estimates 147,000 people with a learning disability could be at risk of losing means-tested benefits after receiving an inheritance*.**

If you don't feel confident in this area, please register your interest for further training at mencaptrust.org.uk/adviser_resources

A learning disability is not:

- A mental illness
- Dyslexia
- Dyspraxia
- ADHD
- Autism

While autism is not a learning disability, the two can occur together.

To conclude

Most inheritance or financial support plans are designed to transfer wealth. For people with a learning disability or autism, the objective is often much broader: to ensure that money improves quality of life, protects future security and supports the person for decades to come.

That requires not only technical expertise but also a genuine understanding of the individual behind the financial plan.



About the survey

The research was commissioned by Mencap Trust Company and conducted by Censuswide, among a sample of 501 independent financial advisors, solicitors (217 IFAs, 84 Financial planners, 200 solicitors). The survey explored advisers' confidence, understanding and likely recommendations when supporting inheritance planning for people with a learning disability or autism. A minimum of 50 respondents from England, Wales, Scotland and Northern Ireland. The data was collected between 05.08.2026 - 13.08.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. They adhere to the MRS Code of Conduct and ESOMAR principles.

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*Mencap modelling, September 2026. Estimated number of adults with a learning disability in England who will at some point inherit enough money to affect a means-tested benefit.



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