

# Govt-backed trust to help care for children with disabilities

By THERESA TAN

FAMILIES with children or relatives who have disabilities now have a Government-backed trust which will provide for the care of their disabled family members after they are gone.

Twenty families have signed up so far, parking an average of \$20,000 with the Special Needs Trust Company to start trust accounts there.

They include a middle-aged woman who started four such accounts, each with \$5,000, for her four intellectually-disabled siblings in their 50s and 60s.

The Special Needs Trust Company was launched yesterday by Minister for

Community Development, Youth and Sports (MCYS) Vivian Balakrishnan.

The idea for it - first floated by the Movement for the Intellectually Disabled of Singapore (Minds) - found traction with a government-appointed workgroup looking into financial security for the disabled.

Parents had told the group that they feared their disabled children would be left helpless, unable to support themselves, after their deaths. They expressed worry that money entrusted to relatives for the care of their children might be frittered away in their absence.

This was how the non-profit company funded by MCYS and the National

Council of Social Service (NCSS) came to be.

How does the trust fund work?

Together with the company's social workers, clients work out how they want their children or relatives to be cared for after their deaths and how much they need to set aside for this, said the company's general manager, Ms Esther Tan.

Clients can either top up the accounts every month, or on an ad-hoc basis. They may also name the account as the beneficiary of their insurance policies or Central Provident Fund savings.

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## Just \$5,000, not millions, needed to start trust fund



Dr Sunil Joseph, a general practitioner, has started a trust account with the Special Needs Trust Company for his five-year-old daughter, Sarah-Jane Lishi Joseph, who is mildly autistic. The fund will ensure she is cared for in the future when he is no longer around. ST PHOTO: KEVIN LIM

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When the client dies, or becomes incapacitated, the company will disburse the money directly to those appointed by the client to look after the family member, for example, a child's guardian or the doctor providing medical treatment.

Ms Tan said the amount needed to provide for a disabled family member depended on factors such as the person's condition and its severity and the type of care needed.

The trust accounts started with the company differ from private trusts in three ways: One is that the money is managed by the Public Trustee's Office and is guaranteed by the Government.

Company chairman Lim Pin said: "You can rest assured the money will never disappear."

The Public Trustee's Office puts the funds into low-risk financial instruments; this year, it will pay 3.46 per cent in interest - more than banks, said Professor Lim.

Another difference between this trust account and a private trust is that it takes a lot less to start - just \$5,000 instead of the "few million dollars" that private bankers say are needed to start private trusts.

The third difference is that the ad-

ministrative fee is a fixed \$250 a year, unlike, say, the "thousands of dollars" likely to be charged for a \$2 million private trust fund, said general practitioner Sunil Joseph, 37.

He started a trust account with just \$5,000 for his only daughter, aged five and mildly autistic.

Besides, with the Government behind it, he has full confidence in the company, he said.

"When it comes to money, it is tricky. If I die and will my money to a relative to take care of my daughter, what happens if they fail to do so? You can't depend on people, as people may change."

He said he has not decided how much to put into the account every month, as this will depend on his daughter's ability to look after herself as she grows up.

At the NCSS members conference yesterday, Dr Balakrishnan said the trust fund was but one option to ensure that disabled children are provided for. Parents may also start CPF accounts for their disabled children, or nominate them as the beneficiaries of their CPF savings or insurance policies.

The company is part of a larger framework the Government has put in place to protect those who cannot make decisions for themselves. For example, the Mental Capacity Act passed last year will enable people to nominate in advance someone who will care for them if they lose their mental capacity.