

Why make a Lasting Power of Attorney (LPA)?

What are lasting powers of attorney?

Lasting Powers of Attorney (LPAs) are documents that give a person or people (your attorneys) power to make decisions on your behalf. LPAs are made whilst you still have mental capacity in preparation for if you ever lose your capacity.

There are two types of LPA.



Property and Financial Affairs

In this LPA you name people to make decisions on your property and finances. Your attorneys can make decisions such as:

- Buying and selling property.
- Managing your bank accounts or investments.
- Paying your mortgage, bills and rent.
- Dealing with your tax affairs.



Health and Welfare

In this LPA you name people to make decisions about your health and care. Your attorneys can make decisions such as:

- Where you live.
- Arranging any day to day care.
- Arranging your medical care.

There are a number of reasons why you should make LPAs.



Difficulties without an LPA

If you lose mental capacity and there are no LPAs in place, your family and friends don't have an automatic right to deal with your finances or health. In order to do so, they would need to apply to the courts to be a deputy for you. This is a long and expensive process and incurs regular fees (which LPAs do not).



Choice

By making LPAs, you get to choose who can make decisions on your behalf. You can have a sole attorney, multiple attorneys and can also name replacement attorneys. You also get to choose what restrictions you want to put on them (if any).

For example, in a Property and Financial Affairs LPA you may include restrictions that your attorneys cannot sell your home unless your doctor says you can't live independently or that a financial adviser needs to be consulted before your attorneys make certain investments.

In a Health and Welfare LPA you may include a restriction refusing certain medical treatment or that you should only be fed certain foods.

By not making LPAs, you leave this decision to the courts. They may impose large amounts of restrictions on your family or appoint family members who you wouldn't have chosen yourself.

In a Property and Financial Affairs LPA, you have a choice whether to allow your attorneys to be able to make decisions whilst you have capacity or only when you have lost capacity. This ability to allow attorneys to make decisions straight away can be very useful if you have mobility issues or even if you are unable to make a decision due to a holiday or being in hospital. In these situations, your attorneys can deal with decisions for you. Whilst you still have capacity, your attorneys can only make decisions if you have given them permission to do so.



Planning ahead

LPAs and losing capacity are often considered as something only the elderly need to consider. Whilst conditions such as Alzheimer's or Dementia are more common amongst the elderly, this is not the only way that mental capacity could be lost. Mental capacity could be lost due an accident, such as through a traffic accident or through contact sports. Some mental illnesses could also lead to a temporary or complete loss of mental capacity.

Ideally every person should have an LPA. It is often better to consider LPAs as being similar to insurance. You hope they aren't needed but wouldn't think twice about insuring your home, car or holiday to protect them financially. Similar should be thought of LPAs, we hope that they wouldn't need to be used but if the worst does happen your loved ones will be glad that the LPAs are there.

For more information please get in touch.

0330 053 5745



susan.delahunty@fta-fwm.com