

Lasting Powers of Attorney



Mental incapacity is an increasing problem as people live much longer. But incapacity can afflict anyone at any time and at any age.

If you do not have a Lasting Power of Attorney (**LPA**) in place and you lose mental capacity, your loved ones will be unable to manage your financial affairs including access to bank accounts unless they apply to the Court of Protection for the appointment of a person to manage your affairs (known as a deputy).

As of 2016 the fees charged by the Court of Protection for making this application are £900. This is in addition to any solicitors' costs that may be incurred. The application can be time consuming, costly and cause hardship for your family at what is likely to be a very stressful time for them.

Once the Deputy is appointed there will be ongoing charges every year: supervision fees payable to the Court of Protection for supervising the Deputy, security bond fees payable to cover breaches of duty on the part of the Deputy and accountants' fees to provide a formal audit of your finances each year.

What is more, the Court may not necessarily appoint the person you would yourself have chosen. If the Court chooses a professional Deputy his or her professional fees will be payable on top.

It is essential that you put in place a LPA before you lose capacity. The LPA allows you to appoint one or more attorneys (usually family members) who will be responsible for making any important decisions on your behalf. The cost of preparing LPAs is only a fraction of the alternative.

To fully protect yourself, it is necessary to have two LPAs:

Property and financial affairs

This covers a range of decisions such as buying and selling your house and other assets, dealing with your financial affairs, investments, bank and building society accounts and claiming benefits.

Health and welfare

This covers decisions relating to your living accommodation, care and diet, and consenting to or refusing medical treatment.

Registration

Once you have prepared your LPA it must be registered with the Office of the Public Guardian before it can be used. This involves a court fee for each document registered and significantly adds to the cost of preparing the LPA. However, it is possible to prepare the LPA and not register it until later to save on cost. We will advise you as to the pros and cons of immediate registration so that you can make an informed decision.