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estate planning

▶ Lasting Power of Attorney

GETTING TO GRIPS
WITH THE BASICS



How does an LPA work?

What happens if I don't set up an LPA?

What are the benefits of making an LPA?



When the unexpected happens, it's good to be prepared. Setting up a Lasting Power of Attorney is just as important as writing a Will and means trusted people can make decisions on your behalf.

Life doesn't always go as planned. If you have an accident or illness, you may have to rely on other people to make decisions for you.

A Lasting Power of Attorney (LPA) enables you to appoint people you trust to be your voice – this could be a family member, friend, business associate or solicitor. Both you and your attorneys must be aged over 18.

To set up an LPA, you must follow a specific legal process. An LPA can only be used once it has been registered with the Office

of the Public Guardian. Once active, it enables your attorneys to make decisions and take actions on your behalf.

How does an LPA work?

There are two types of LPA, which cover distinct areas of your life. By setting up both LPAs, you can avoid any potential gaps in decision-making or conflicts around best interests.

Property and Financial Affairs

This LPA covers day-to-day affairs, such as paying bills, accessing bank accounts, covering care costs, and managing pensions, investments and benefits.

Your attorneys can also assist with buying, selling and maintaining property and communicate with professionals, such as financial advisers and institutions.

If you run a business, an LPA can be critical to safeguarding its ongoing operations. A specific LPA can be set up if you want different attorneys to manage your personal finances and business affairs.

Health and Welfare

An LPA for health and welfare means attorneys can speak to medical, health and social care professionals on your behalf.

Your attorneys can communicate your wishes concerning medical treatments, alternative therapies, residential arrangements and end of life decisions as well as explain any religious or cultural beliefs. This can determine where and how you are cared for.

The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated. The Financial Conduct Authority (FCA) does not regulate Will writing, tax and trust advice, and certain forms of estate planning.

Tax rates are based on current legislation and are subject to change.



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What happens if I don't set up an LPA?

If you don't have an LPA in place, your family may need to obtain permission from the Court of Protection to act for you, which can take several months. This process can be very costly and stressful.

Many people mistakenly believe that if they are married and/or have joint accounts that they don't need an LPA. Being married doesn't automatically give you the power to make financial or welfare decisions for your spouse/civil partner if they are incapacitated.

Depending on the circumstances, joint bank accounts can be frozen, which can cause added stress and financial hardship at an already difficult time.

What are the benefits of making an LPA?

- Provides peace of mind for you and your family
- Empowers trusted people to make decisions on your behalf
- Safeguards business interests and properties
- Enables healthcare wishes and personal beliefs to be respected
- Avoids the stress and expense of applying to the Court of Protection.

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WE'RE HERE TO HELP

If you would like to discuss setting up a Lasting Power of Attorney or have any questions about how it could support you and your family, please get in touch with us as soon as possible.

We are here to guide you through the process and help ensure your affairs are structured to protect your interests and wishes.



Warning statement

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