

## **POWERS OF ATTORNEY AND LASTING POWERS OF ATTORNEY**

### **Have you thought about what would happen:-**

If you were not able to cope with your financial affairs, with your bank, mortgage, council tax or utility bills? Have you ever wondered how you might deal if a parent, spouse or relative were in a similar situation?

The simplest way of dealing is to create a Power of Attorney in favour of someone you trust while you are still mentally and physically fit and healthy.

### **What is a Power of Attorney?**

An ordinary Power of Attorney is a simple one page document by which the person granting it (the Donor) gives to another person (the Attorney) legal power to deal with the Donor's financial affairs if it ever becomes necessary.

There is just one problem with this ordinary Power of Attorney. By a quirk in the law, if a person has granted such a Power of Attorney and then loses the mental capacity to manage his or her financial affairs, the Power of Attorney becomes null and void.

Therefore if such a person suffers a serious stroke, or is in a coma following an accident or operation, or their mental powers fail through dementia, Alzheimer's, or just the passage of time, an ordinary Power of Attorney is ineffective.

### **A Lasting Power of Attorney**

For this reason, the Government invented the Lasting Power of Attorney. A Lasting Power of Attorney needs to be registered with the Office of Public Guardian before it can be operated, but once created and registered, then it will last for the rest of the Donor's life (unless revoked) notwithstanding any intervening mental incapacity or disability, and there will be an attorney or attorneys chosen by you who would have the legal power to deal with your affairs.

The Lasting Power of Attorney does not have to be registered immediately it can be created by a fit and well person and placed in storage for years if necessary and thus can be a safeguard or backup in case anything happens in the future.

Is there not a simpler way of dealing with such a situation?

The answer is no. This is the simplest way of providing a safeguard for yourself and your family in this situation.

The only alternative if someone loses the ability to manage their financial affairs without having a Power of Attorney is to apply to the Court of Protection in London to be appointed that person's deputy.

That whole process can take up to six months and can cost around £2,000.00.

For the above reasons most solicitors, accountants and financial advisors recommend that all their clients create Lasting Powers of Attorney in favour of trusted family members as a back-up and safeguard against the vicissitudes of life.

If you would like any further information please do not hesitate to contact Lauren Gillespie or Teresa Andrew

Charges: from £200.00 plus VAT

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