

# WHY YOU NEED AN LPA

**Creating a Lasting Power of Attorney is an important step in retaining control of your health and finances in the future. It's a straightforward process that can make things much simpler for you and your loved ones.**

## What is an LPA?

LPA stands for Lasting Power of Attorney. It's a legal document that lets you appoint people you trust to make decisions for you, if you ever reach the point that you can't make them yourself.

There are two types of LPA:

Property & Finance: managing bank accounts, paying bills/your mortgage, collecting benefits, managing the home.

Health & Welfare: making decisions about your medical care and your daily routine.

## Why do you need an LPA?

Having an LPA in place means that people you trust can act on your behalf if you're unable to. It helps your family keep control of what happens, rather than social services or other parties making decisions.

As an example, GDPR data regulations stop institutions and organisations disclosing personal data – even to your partner. Having an LPA in place allows loved ones to access your personal data as part of managing your affairs.

The important thing about Lasting Powers of Attorney is that they must be put in place whilst you still have 'mental capacity.'

## How do people lose mental capacity?

We often think of dementia being the main cause of loss of capacity, especially as we grow older. But in fact there are various situations where people can lose capacity, and in some cases it can happen quite suddenly.

Accidents, mental illness, a stroke or the side effects of medical treatment can all cause loss of capacity.

## What happens if you don't have an LPA in place?

If you were to lose mental capacity, your family would have to apply to the Court of Protection for permission to make decisions for you. This takes time and can cost thousands of pounds.

Without a Property & Finance LPA...

- All bank and financial accounts may be frozen – even joint ones
- Your loved ones have no authority to pay bills, loans or credit cards
- Your loved ones have no authority to collect your benefits or pensions
- Your loved ones won't be able to renegotiate mortgage terms or, sell your property or deal with tenancy agreements

Without a Health & Welfare LPA...

- Your family can't decide who looks after you or, where you receive care
- Social Services will make all the decisions about you and your care
- Your family get no say in major decisions, like whether to give you life-sustaining treatment
- Healthcare professionals may not be aware of, or respect, your beliefs or wishes

## Customer example - Not having LPAs in place

Mrs Collins' husband passed away 3 months ago, whilst he was a resident in care. The family weren't able to access his pensions and Phillipa was growing increasingly concerned about how her fixed rate mortgage would be rearranged if she were to lose mental capacity. [Download her full story.](#)

## What's involved in creating an LPA?

It's a relatively straightforward process to create either kind of LPA. You need to decide who you wish to appoint as your attorneys. Many people decide to have more than one. You discuss this with them and fill in a form to name them. It is signed by you and your attorneys in the presence of witnesses.

A Property and Finance LPA can be used as soon as it is registered, with your permission. A Health and Welfare LPA can only be used when you are no longer able to make decisions.

## How do you register your LPA?

- When you've made your Lasting Power of Attorney, you'll need to register it before it can be used. You register the LPA with the Office of the Public Guardian. This involves signing your completed LPA form and sending it off
- There is an £82 registration fee for each LPA payable to the Office of the Public Guardian
- It takes up to 20 weeks to register an LPA

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