



Aged Care Newsletter May 2021

Do you hold a Power of Attorney for another person ? Do you sometimes wonder what this means you can do ? The first article helps clarify this and also points to important issues to consider when choosing who to appoint as your Power of Attorney.

As people get older, most people would like to stay living in their home for as long as possible. The second article is about considering small changes at home which may help facilitate this.

Getting the right information and advice now will help you make the best choices for your future care, security and happiness.

We are happy for you to share these newsletters with family members and friends that you think may find them helpful.

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Decision-making using a power of attorney

The time may come when you need to make financial decisions on behalf of a parent as the Enduring Power of Attorney (EPoA). Is this an honour or a burden? It can be both, so the person taking on the role needs to understand both the legal obligations as well as family responsibilities.

Making decisions using an EPoA

A power of attorney is given the authority to make decisions and authorise transactions in relation to property and financial affairs. If it is an enduring power, this authority remains effective even after the donor has lost mental capacity – most important for an older person.

If you have been asked to take on these this role, before authorising any transactions you need to ensure you:

- Act in the interests of the donor, and not your own interests
- Place yourself in the shoes of the donor and determine what decisions they would make
- Avoid conflicts of interest
- Keep your own assets separate from the assets that you are managing for the donor, and
- Keep accurate records of all actions taken and how you made decisions.

It is important that you can clearly demonstrate that every transaction is in the donor's best interest. For example, you can't just help yourself to an early inheritance, even if Mum or Dad are now in aged care and all their bills are paid. It is still their money, and it might be difficult to show that distributing money to yourself and your siblings is in the best interest of your parent.

If you can't see a problem, just remember, there are very few families that don't have a disagreement over a parent's estate – even if it is just who will inherit a sentimental ornament. Beneficiaries of the estate could potentially take legal action against an EPoA if they don't believe transactions were appropriate. If this occurs, you might be pleased that you kept good records.

However, if you used an enduring power of attorney to make early inheritance gifts to yourself or other selected family members, this might leave you exposed to legal action from an aggrieved beneficiary – and if you lose, you could be personally liable to repay the money to the estate.

Choosing the right person

When making the decision of who to appoint as your enduring power of attorney give it careful consideration. If you nominate more than one person, first think about how well they get along and whether they will be able to agree and make decisions.

Financial advice can provide valuable support for an EPoA to ensure appropriate financial decisions are made.

Is your home age-friendly?

Home modifications may help an elderly person to stay in their home for longer by making the home safer and more accessible. In some cases, this may be the difference between accessing care in your own home and needing to move into residential care.

Take a look around your home and think about how well it meets your needs now, and into the future. Are there areas that you are finding harder to access or use? And what if your physical abilities started to decline?

An Australian research study* found that home modifications reduced overall care hours required by an average of 42% and led to a 40% improvement in the quality of life for the people studied.

Interestingly, the modifications do not always need to be expensive and may be as simple as installing handrails in bathrooms or widening doorways. One case study in the research found that installing a handrail from the bedroom to the bathroom reduced informal care hours significantly and allowed the husband to continue to work. Another woman arranged bathroom modifications so her son did not have to help her shower, and could instead spend time with his mother on other social activities.

Problems with home design is often a major reason why people move into residential care. Home modifications should focus on strengthening your capabilities by increasing:

- Independence
- Mobility
- Safety
- Comfort or convenience

Planning for home modifications should start long before the need arises. If you are renovating your home think about including features such as extra-wide doorways, extra timber supports in bathroom walls to attach rails if needed in the future and wider footpaths around the house.

A great resource to start your planning is the Home Modification Information Clearing house at www.homemods.info, which is a government information site or speak to your doctor about a referral to an occupational therapist.

At Parkside we specialise in aged care advice and have the experience to help you to plan for current or future needs. Call us today on 9899 4899.

* Source: Dr Phillipa Carnemolla of UTS Sydney <https://theconversation.com/renovations-as-stimulus-home-modifications-can-do-so-much-more-to-transform-peoples-lives-140639>

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