

Who will decide for you if you can't decide for yourself?

Think about planning ahead



LEGAL ISSUES FOR OLDER PEOPLE

Making our own decisions

We take it for granted that we can make our own decisions about a range of issues, large and small, that affect our lives. For more complex decisions we may seek advice from others but we decide whether we follow that advice or not.

The law presumes adults have the 'capacity' to make their own decisions until that is shown not to be the case. 'Capacity' means that when making a decision you have the ability to:

- understand the facts involved
- understand the main choices
- weigh up the consequences of the choices
- understand how the consequences affect you, and
- communicate your decision.

You must have capacity to make decisions about:

- making a will

- buying or selling property
- taking out a loan
- investing money
- making a power of attorney or appointing an enduring guardian, or
- entering a contract.

If you don't have capacity to make these types of decisions they will not be legally binding.

You can lose your capacity to make your own decisions

Your capacity to make decisions can be affected by illness, injury or age. The loss of your capacity to make decisions may be total or partial – you may lose capacity to make any kind of decision or you may only lose capacity to make more complex decisions. The loss of capacity may be temporary or permanent.



Who will make decisions for me if I lose capacity?

This will depend on whether you plan ahead. You can decide in advance who you would like to make decisions for you if you can no longer do so.

If you don't plan ahead and you lose capacity it will be too late to choose who you want to be your decision-maker. You will not have any control over who can make decisions for you.

How can I plan ahead so that decisions can be made for me by someone else?

The law divides decisions into 2 categories – financial and lifestyle.

Financial decisions can cover dealing with bank accounts, transferring money, paying bills, dealing with shares or buying and selling real estate.

Lifestyle decisions can be about where you should live, what services you should receive or what medical and dental treatment you might need.

In NSW there are 2 special documents you can use to appoint another person to make these kinds of decisions for you in the future.

How can I appoint a financial decision-maker?

To appoint a financial decision-maker you can complete a legal form called a 'power of attorney'. You can decide what powers you are going to give the person you appoint (your attorney) to manage your property and financial affairs.

There are 2 types of powers of attorney:

- A **'general power of attorney'** is usually given for a specific period of time (for example, if you plan to travel overseas or are going in to hospital and need someone else to manage your affairs for a short time) or for a specific purpose (for example, to sell property for you). This

type of power of attorney stops operating if you lose capacity.

- An **'enduring power of attorney'** is the one you should use if you want to appoint someone to make decisions once you can no longer do so. It contains a clause that states that you want it to continue even after you have lost capacity.

How can I appoint a lifestyle decision-maker?

You can appoint an **'enduring guardian'** to be the person who makes lifestyle decisions for you. You do this by completing an 'appointment of enduring guardian' form. You can decide what powers or functions, you want to give to your enduring guardian.

What else do I need to know about appointing decision-makers?

You should get help from a solicitor to prepare an enduring power of attorney and an appointment of enduring guardian, and to give you detailed advice about your options, what powers to give to the attorney and guardian and the legal consequences of making these appointments.

You should speak to the person you'd like to be your attorney or enduring guardian before you appoint them to make sure they are willing and able to take on that role.

Both forms must be witnessed by a solicitor, barrister, registrar of the Local Court, an employee of the NSW Trustee and Guardian or a qualified overseas lawyer. The witness must also sign a certificate stating that they have explained the effect of the documents to you and that you understood their effect. (Licenced conveyancers and employees of trustee companies can also witness an enduring power of attorney).

Your attorney or guardian must accept the appointment by signing the form. If you are appointing an enduring guardian, your guardian's signature must also be witnessed

by one of the people listed above. Your attorney or guardian can sign the form at the same time as you or at a different time and place.

Your attorney's power to act on your behalf will start when they sign the form. However you should talk to your solicitor about what to do if you only want your attorney to be able to start making decisions for you if and when you become incapable of making your own decisions. Both of these documents stop operating after you die, and any will you have made will then begin to operate.

Who can make decisions about my medical treatment?

By law, doctors must get consent from their patients to any proposed treatment. If you are unable to give your consent the doctor must get consent from the 'person responsible'.

In order of priority, the 'person responsible' is either:

- your enduring guardian, if you have appointed one
- your most recent spouse or de facto, including a same-sex partner
- an unpaid carer currently providing support to you, or
- a relative or friend who has a close personal relationship with you.

If you appoint an enduring guardian they can make decisions about what medical or dental treatment you receive if you lack capacity to give consent yourself.

You can record your wishes about the treatment you want or don't want in the future (for your enduring guardian, or if you don't appoint one, for the person who is likely to be the 'person responsible') by preparing an 'advance health care directive' (sometimes called a living will). The directive will only be used if you lose capacity to give consent to medical treatment.

For example, you can state that if you develop an illness from which there is no

hope of recovery, you do not consent to life-sustaining measures such as cardio-pulmonary resuscitation, assisted ventilation or artificial feeding and hydration. There is no particular form to use to make an advance health care directive. You should discuss the advance health care directive with your doctor. It should also be kept up-to-date because if it is left too long before it is needed there may be doubt about whether it still represents your wishes. Also, treatments may have changed. It should be signed, witnessed and dated.

This document needs to be left with whoever is most likely to be in a position to be asked to give consent on your behalf. That person should know about your wishes and also have a copy of the directive.

Who should I choose to be my decision-maker?

This is a very important decision. You are the one who decides:

- if you will appoint a decision-maker
- who you appoint
- what powers or functions you will give them, and
- what restrictions should apply.

You should not let anyone pressure you to appoint them as your attorney. You should get independent legal advice before appointing a decision-maker. If a family member or other person takes you to their solicitor to have a power of attorney made, you should insist on talking to the solicitor in private. A solicitor should be dealing directly with you and not through another person.

The relationship between you and the person you appoint as your attorney or enduring guardian is based on trust. You are giving them a lot of power over your life and your financial affairs. The person you appoint should not only be someone you trust to do the right thing by you but should be willing and able to take on the job.

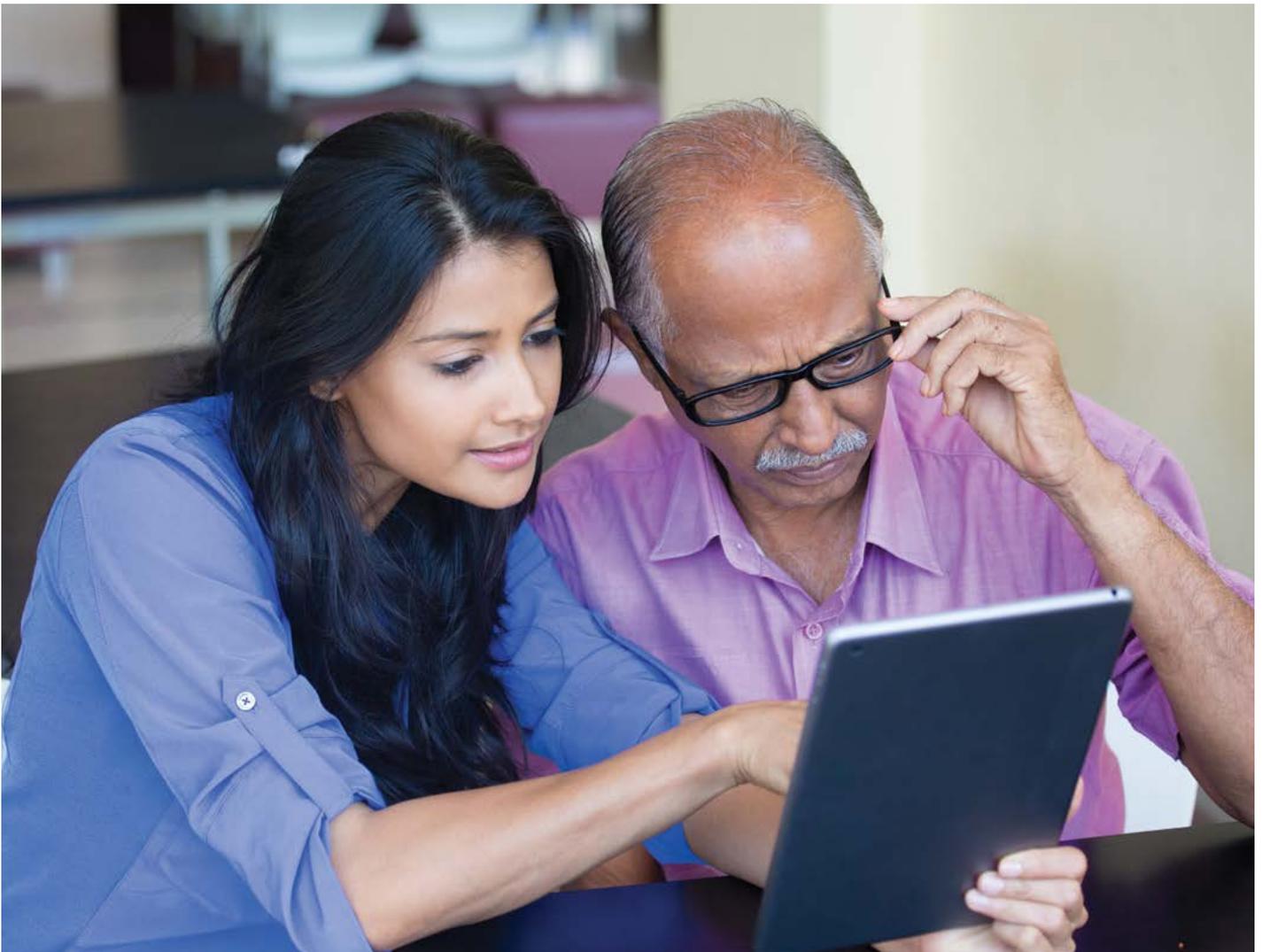
You can appoint more than one person to be your decision-maker. If you do this you can appoint them so they can only make decisions together (jointly) or individually (severally). If you appoint more than one person you should be confident that they will be able to work together and be able to agree on what is in your best interests.

If you do not know anyone you consider to be suitable you can appoint the NSW Trustee and Guardian as your attorney. They will charge a set fee to draw up a power of attorney unless you are on a full Centrelink Age Pension. If they do have to act as your attorney they will charge for their services.

You can also appoint the NSW Trustee and Guardian as a substitute attorney. That means that if the attorney you appoint is unwilling or unable to act the NSW Trustee and Guardian can step in and make decisions for you.

How can I be sure my decision-maker is doing the right thing?

Attorneys and enduring guardians must act in your best interests. However their day-to-day activities are not monitored to make sure they are making the best decisions for you. While you still have capacity you can revoke (cancel) the power of attorney if you lose confidence in your attorney's ability to do the right thing by you. However if you have lost capacity and an attorney is abusing their power (for example, if they are using their power of attorney to take your money or property) someone else with an interest in your welfare will need to do something about it. If they believe, or become aware, that your attorney is not acting in your best interests, they can apply to the NSW Civil and Administrative Tribunal (NCAT) to have the attorney's actions looked at and possibly have them removed as your attorney.



Who decides if I have lost capacity to make decisions?

The person you have appointed as your decision-maker may be the person who decides when you have lost capacity. Or it may be a solicitor, doctor or community worker who has contact with you and needs to be confident you have capacity to make specific decisions.

If either you or another person disputes the assessment that is made about your capacity the Guardianship Division of NCAT may have to decide. A report from a suitably qualified doctor will be required to assist NCAT in making a decision.

What happens if I don't plan ahead and lose capacity?

Family members may be able to informally make some decisions for you, particularly about lifestyle decisions. However most financial decisions will need a power of attorney if you have lost capacity to manage your own finances.

Without a power of attorney your family may have difficulty accessing your bank account to pay bills. If your home needs to be sold to pay for you to enter residential aged care or somewhere else more suitable, only someone

with your power of attorney has legal authority to sell your house. There may also be a problem if there is a dispute between family members over what decisions should be made and who should make them.

If you have not appointed a decision-maker in advance there will be no one with the authority to decide for you and resolve any disputes between family members.

If you have not appointed an attorney or guardian, and there is a need for one, only the Guardianship Division of NCAT or the Supreme Court can appoint someone to make decisions on your behalf. This can be time consuming and stressful. A family member or other person who is interested in your welfare will have to ask NCAT to appoint a person to be your financial manager and/or guardian. You will be asked to participate in the hearing of the case by NCAT. NCAT must listen to your wishes, but can override them if they think that following your wishes will not be in your best interest.

NCAT can decide who to appoint as your decision-maker. If there is conflict between family members, NCAT can appoint a government official to be your financial manager (the NSW Trustee and Guardian) or guardian (the NSW Public Guardian).

A true story...

Rose has been diagnosed with early signs of dementia. She wants to make sure that if her condition deteriorates someone she trusts will be able to make decisions for her when she is no longer able to do so herself.

She loves her 2 children, but wants her son to make any decisions for her. She knows her eldest daughter thinks she should sell her home and move into a residential aged care facility. Rose doesn't want to do this. She has heard her son and daughter disagreeing about what should happen to her.

Rose has also lent her daughter fairly large sums of money which have not been repaid. She feels more comfortable having her son in charge of her finances if she can't manage them herself. Rose saw a lawyer who was satisfied that although she has early dementia she still had capacity to understand what documents she needed to prepare. He helped her prepare an enduring power of attorney and an appointment of enduring guardian which gave her son the authority to act as her decision-maker when she loses capacity. The lawyer also updated Rose's will at the same time.



Where can I get more help?

Seniors Rights Service

Provides free legal advice and assistance for older people in a range of areas of law.

Tel: **1800 424 079**

www.seniorsrightsservice.org.au

LawAccess NSW

Provides free telephone legal information, advice and referrals to other services, including to your nearest Legal Aid NSW office, Community Legal Centres, private lawyers and other organisations that can help.

Tel: **1300 888 529**

www.lawaccess.nsw.gov.au

NSW Civil and Administrative Tribunal (NCAT)

For more information about enduring powers of attorney and enduring guardianship, call the Guardianship Division of NCAT.

Tel: **1300 006 228**

www.ncat.nsw.gov.au

NSW Trustee and Guardian

Can act as an independent and impartial executor, administrator, attorney and trustee.

Tel: **1300 364 103**

www.tag.nsw.gov.au

Ageing and Disability Abuse Helpline

Provides confidential information, support and referrals for people who have experienced, witnessed or suspect the abuse of an older person living in the community.

Tel: **1800 628 221**

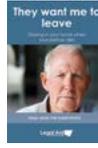
www.ageingdisabilitycommission.nsw.gov.au

Other brochures available:



Adult children living at home

What do you do if you want them to leave?



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Staying in your house when your partner dies



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You can make it stop



Your home and the aged pension

What you need to know



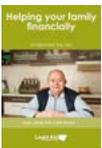
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Your legal questions answered



Why make a will?

A guide to making a will



Helping your family financially?

Understand the risks



Moving in with the family

Make sure you protect your interests

This brochure is a general guide to the law. You should not rely on it as legal advice, and we recommend that you talk to a lawyer about your situation.

The information is correct at the time of printing, however it may change. For more information contact LawAccess NSW on **1300 888 529**.

This publication is available in Arabic, English, Sim Chinese and Vietnamese.



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