

Lasting Power of Attorney Explained

The two types, what each covers, what happens without one

The two-type framework

Type 1 - Property & Financial Affairs

What it covers

Gives your attorney legal authority to manage your bank accounts, pay bills, collect pension and benefits, buy or sell property, and make investment decisions on your behalf.

When it can be used

Can be used while you still have capacity - with your permission or once capacity is lost. Must be registered with the Office of the Public Guardian before use.

Type 2 - Health & Welfare

What it covers

Gives your attorney authority over where you live, the medical treatment you receive, your day-to-day care, and life-sustaining treatment decisions.

When it can be used

Only activates once you have lost mental capacity. Cannot be used while you can still make decisions for yourself.

The Registration Requirement

You must register before you need it

An LPA cannot be used until it has been registered with the Office of the Public Guardian (OPG). Registration currently takes up to 20 weeks, so leaving it unregistered could cause significant delays if it is suddenly needed. Once registered, it's a good idea to inform banks and other financial institutions in advance, ensuring it can be used quickly and smoothly when the time comes.

The court of protection trap



Without an LPA, the only route is the Court of Protection a formal legal process that can take 6-12 months and cost £3,000-£5,000+



During that time, no one has legal authority to manage your affairs - bills unpaid, care decisions stalled, accounts inaccessible



The court appoints a deputy - who may not be the person you would have chosen



Deputies must report to the OPG annually on every financial decision - significantly more onerous than an LPA attorney's obligations



Court of Protection orders are case-by-case - they cannot give blanket authority the way an LPA does



An LPA currently costs £92 per document to register. Both types: £184. The Court of Protection route costs 20x more - after months of delay.

The core rules most people don't know

The question

The honest answer

Can I set one up after a diagnosis?

Only if you still have mental capacity at the time of signing. A diagnosis alone does not remove capacity — but act quickly.

Can my attorney make gifts?

Only within strict limits - small customary gifts (birthdays, Christmas). Larger gifts require OPG approval. IHT planning gifts are heavily restricted.

What if my attorneys disagree?

Depends on the structure. A jointly-appointed LPA requires unanimous agreement. A deadlock can make the LPA unworkable.

Can I change my mind?

Yes - while you have capacity you can revoke an LPA at any time. Once capacity is lost, it cannot be revoked.