

CASE STUDY

FINANCIAL ABUSE OF OLDER PEOPLE

Case study fourteen: Care arrangements

Source: Senior Rights Victoria

Maud is 77 years old. She owns a house in the suburbs of Melbourne. Lately she has been observing a gradual decline in her general health and she feels she is starting to become quite forgetful. She has three adult children, all of whom live in Melbourne. None of her children get on with each other. Her youngest daughter, Julia, is the closest to Maud as she is not married and has a lot of time to help her mother manage her day-to-day affairs and household chores. They have a lovely relationship. Julia has suggested to her mother that she transfer her house into Julia's name and Julia gives her a licence to reside there for life. In exchange, Julia has promised Maud that she will care for her in the home until her death.

You have managed Maud's SMSF and other affairs since before she was widowed. Maud and Julia come to you for a recommendation for a solicitor to do the conveyancing and to prepare a licence agreement.

- What issues would you consider when reviewing Maud's situation?
- How would you advise Maud?
- What would you do if Maud dismisses your advice?

Case study fourteen: Care arrangements

Source: Alzheimer's Australia

A mother with dementia was moved from her home by her daughter, and without the knowledge of her son who lived in the UK. She was taken to live with the daughter's family and was locked in a bedroom.

The mother executed a Power of Attorney at a time when she lacked capacity. Her house was sold without her knowledge and the funds were used to pay off the mortgage on the daughter's house and buy a four wheel drive. It was also used to buy a family holiday, pay for school fees and a trip to New York for one grandchild.

The mother therefore lacked funds for a bond for a residential facility, which she would otherwise have been able to access. Instead she was locked away with no stimulation or independence until her son returned to Australia and discovered the abuse.

The son has come to you to assist with his tax affairs, but has also asked for your advice on how he might handle this.

- What issues might there be with this situation?
- Is there any recourse for the mother and/or the son?