

# Factsheet: Elder Support - – What you Need to Know Before Making Big Financial Decisions for You and Your Family

## Financial decisions as you get older

- Are you being forced by others to make uncomfortable financial decisions?
- Do you want to avoid family disagreements and disputes about money as you age?
- Did you know moving in with children or selling/transferring your home may affect your Centrelink or Aged Pension?

As you age you may feel more dependent on others to care for you and worry about how you will manage without their support.

Most people trust their families, loved ones and carers to do the right thing, and leave it too late to seek legal advice if things go wrong.

## What can go wrong

Intergenerational relationships can sometimes be affected by conflicts over money and assets like property that can leave elderly people vulnerable and facing financial hardship.

Challenging situations can be avoided by careful planning, getting advice and accessing support when problems arise.

## Alex and Linda's Story

Alex and Linda are an elderly couple who provided their son with their life savings for the deposit of a family home in which they now live with the son's family, including the son's wife and two young children.

Alex and Linda thought this was best for the family as they wanted to help their son to be able to afford a home. The arrangement was that they would be able to live in the spare room at the back of the home and would be able to regularly see their grandkids. Their son also promised to care for them and provide financial support if needed as they aged.

After an unexpected family argument, Alex and Linda were shocked and hurt when their son asked them to move out. They had no funds left and found out they were not eligible for any government support to pay for their living expenses or to be able to afford to rent somewhere else.

## Warning signs

The following actions and behaviours are not part of healthy family relationships and if they are happening to you, you can reach out for support and advice.

### *Financial*

- someone taking your money without your consent
- someone selling or transferring your property without your consent
- denying you access to money, bank accounts and/or credit cards
- controlling how you spend your money
- forcing you to enter into a loan, credit card, mortgage or guarantee
- forcing you to make or change a Will or Power of Attorney
- threats to throw you out of your home
- pressuring you about an inheritance.

### *Emotional/Psychological*

- socially isolating you, such as preventing you from seeing you friends, family and grandkids
- pressuring, bullying, intimidating, threatening and harassing behaviour
- behaviour that causes you to feel afraid
- threats to place you in an aged-care facility
- unwanted physical or verbal behaviour like criticism, name calling, yelling
- denying you something you need as a way to control you.
- screening or listening into telephone calls without your consent, or withholding mail
- taking control of your home without consent.

### **Things that you can do to prevent this from happening to you**

- ask yourself if you have the right people helping you with your financial affairs – trusted family, friends or organisations that act in your best interests

- do not give details of your PIN or passwords to anyone
- before gifting/loaning any money or property, or moving back in with family:
  - get your own independent legal advice from a lawyer who has not been chosen by a family member
  - talk to Centrelink as your pension could be affected
- have the right legal documents in place rather than just relying on conversations with family about what should happen as you age
- do not sign a Power of Attorney until you understand what you are signing - it gives another person full control over all your assets, including the power to sell your home
- stay socially connected - it helps protect you from unwanted situations - join a group to stay active, keep in contact with friends and extended family.

### **Help and advice**

Redfern Legal Centre provides free and confidential legal advice:

- Phone us on (02) 9698 7277. If you need an interpreter, phone the Translating and Interpreting Service on 131 450 and ask them to phone us
- Visit us at 73 Pitt Street Redfern
- Email us at [intake@rlc.org.au](mailto:intake@rlc.org.au)
- Fill in our web form at [www.rlc.org.au](http://www.rlc.org.au).

You can also contact 1800ELDERHelp or 1800 353 374 for information and support.

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*This factsheet is not a substitute for legal advice. If you have a problem, seek advice.*