

Power of Attorney

Why public engagement is so low, and why that matters

March 2025

Background

This briefing note sets out the main findings from a short scoping research project we conducted with Message House BPI in late 2024 into public understanding of Power of Attorney.

There are 5.8 million unpaid carers in the UK. Unpaid carers commonly help the person or people they are caring for with everyday tasks including their “life admin”, the administrative side of managing someone’s affairs. This often involves helping with someone’s finances. It can be time-consuming and difficult. One legal arrangement that can sometimes help is the ‘Power of Attorney’. Power of Attorney is a way for a person to give someone they trust the legal authority (as their ‘attorney’) to make decisions on their behalf. There are different forms of Power of Attorney for use in different circumstances, but awareness and understanding of these arrangements are low, and many people, including carers, struggle to put them in place at the right time.

In early 2024 Phoenix Insights commissioned 3 Hands to conduct some research with unpaid carers and people who are cared for, to discuss the support they need and benefit from when it comes to managing and planning finances.

There were two broad points of reference in the discussion:

- The here and now – managing finances daily
- Future planning – the implications of being an unpaid carer, or cared for, in terms of future finances, work and retirement

Two types of experts helped us to understand the challenges faced by carers and cared for people: ‘Charity experts’ from specialist support organisations, and ‘lived experts’, people who are, or have been, carers or cared for people.

We heard that carers lack time, energy and ‘headspace’ to focus on managing and planning finances. This was coupled with the fact that navigating the caring landscape, particularly the benefits system, is complicated and difficult.

We heard that carers need to be able to provide a level of support regarding helping someone with their finances without resorting to Power of Attorney, and that when it is needed there are barriers in place that delay or prevent people setting up Power of Attorney.

A consistent message was that carers often wish they and the people they care for had set up Power of Attorney sooner.



My husband made some terrible financial blunders. We needed to have the conversation [about POA] much earlier

Lived expert from 3 Hands insight session

Previous research by Carers UK found that:

- 80% of carers in their network are doing everyday banking on behalf of their cared-for people
- 35% had a Financial Power of Attorney in place
- 9% had third party agreements
- 19% were planning on putting Power of Attorney in place

This prompted Phoenix Insights to explore awareness and understanding around Power of Attorney (POA) further, alongside barriers and potential enablers to setting them up. Working with Message House BPI we commissioned new research, including focus groups and a nationally representative survey, to explore public understanding of Power of Attorney.

Main findings

1. Most people know nothing or very little about Power of Attorney

- 13% of adults say they know a lot about Power of Attorney, and even amongst 50-69 yr olds only 18% of say they know a lot
- Only 2% identified all of the correct answers to four short statements about Power of Attorney, highlighting low levels of understanding

2. Less than 1 in 10 have an up to date Power of Attorney in place

- 8% of adults said they have an up to date POA in place, however this figure is 40% of people aged 70+
- 45% of people have never thought about putting Power of Attorney in place

3. New information is effective in making Power of Attorney relevant and sensible

- 77% responded positively to a short education statement about Power of Attorney agreeing that it “makes putting POA in place seem a sensible step to take”



I've never even heard of it until today. I do have a will in place, but I got the will kit with my life insurance policy. So that's it to be honest...I've not heard of this before

Focus group participant, female, 41 (Little/no knowledge of POA)

The research highlights a need to increase awareness and understanding of Power of Attorney amongst the public and in particular with people aged 50+, reduce misconceptions about what it is and why it can be important and provides strategic recommendations on how to communicate this complicated and sensitive subject. We hope that this will help prompt discussion and further action across private, public and voluntary sectors.

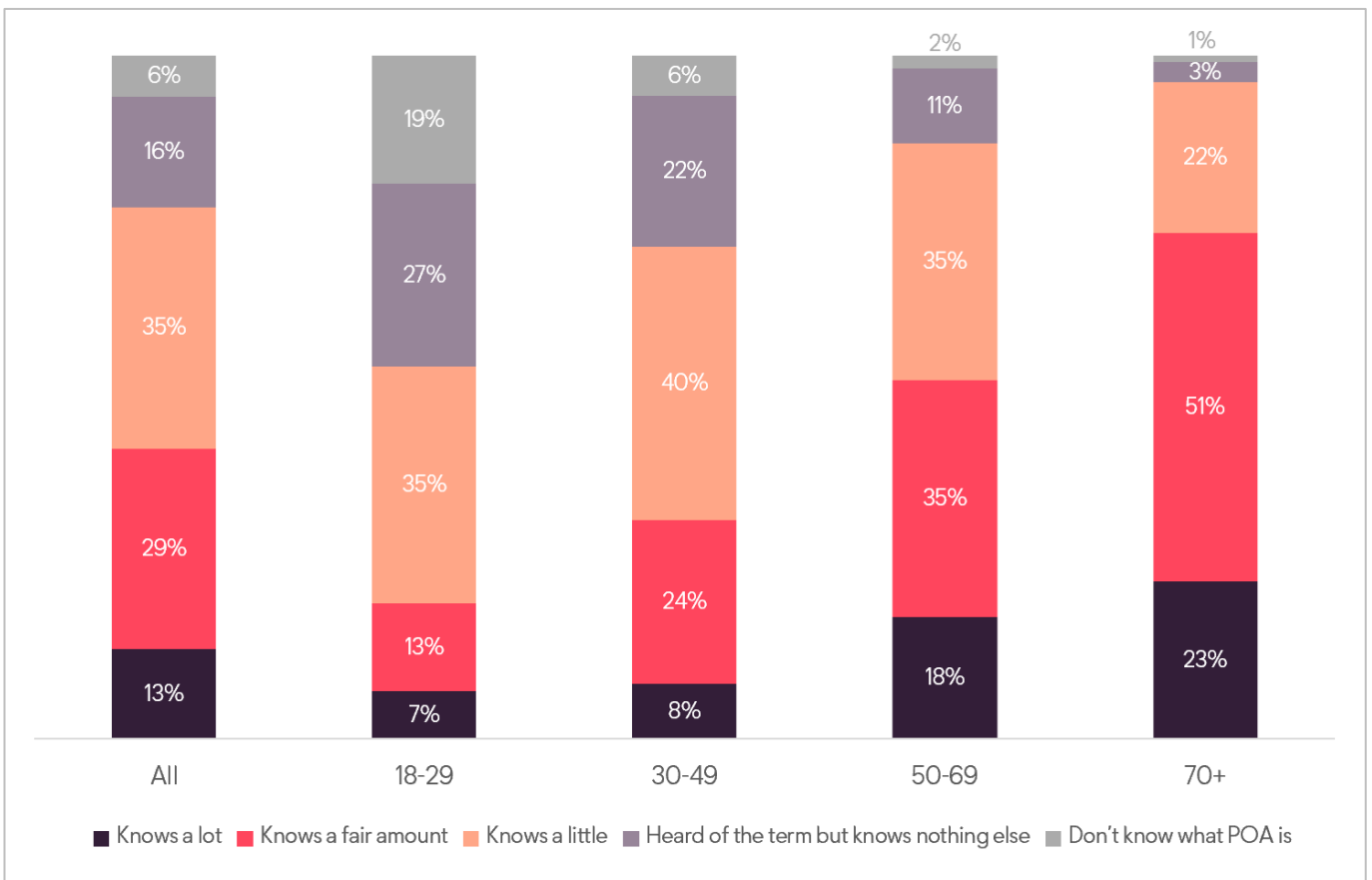
There is a need to increase levels of awareness and understanding

When individuals consider their wishes and nominate someone they trust to carry them out through Power of Attorney it can have a hugely positive impact on people’s quality of life during their lifetime, from the ability to pay bills and to making decisions about care. The impact of not having POA in place when you need it or having chosen the wrong person to have this power, can be enormous. Martin Lewis in his role as Money Saving Expert has said that POA are arguably more important than wills, and it is evident from the research that participants are often surprised they have such little knowledge or understanding of something that could impact their lives so significantly.

We are concerned therefore to find such low levels of awareness and understanding amongst the general public and recognise that this needs to be addressed.

- Only 13 % of adults say they know a lot about Power of Attorney
- 57% say they know either a little (including have heard the term) or nothing about POA
- 45% have never thought about putting POA in place

Awareness of Power of Attorney



Which of the following best describes your awareness of Power of Attorney? (%) n=1005

Understanding increases with age. 74% of people aged 70+ say they know a lot or a fair amount about POA. However only 18% of 50-69 yr olds say they know a lot about POA. This is of particular concern as people aged 55-59 are most likely in the population to be carers. Many carers, depending on the relationship and nature of the care they provide, will end up either needing a POA to continue to support their cared for person, or being significantly impacted if POA is needed but not in place.

This lack of knowledge enables widespread misconceptions that act as barriers to people setting up Power of Attorney.

- 31% believe themselves too young to need a POA, when in fact it can be necessary from 18+
- Only 2% of respondents identified all the correct responses to 4 short statements about POA
- 63% people think they have to use a solicitor to put POA in place, and only 17% said this was definitely false

Of particular concern is the fact that 56% thought the following (incorrect) statement was definitely or probably true.



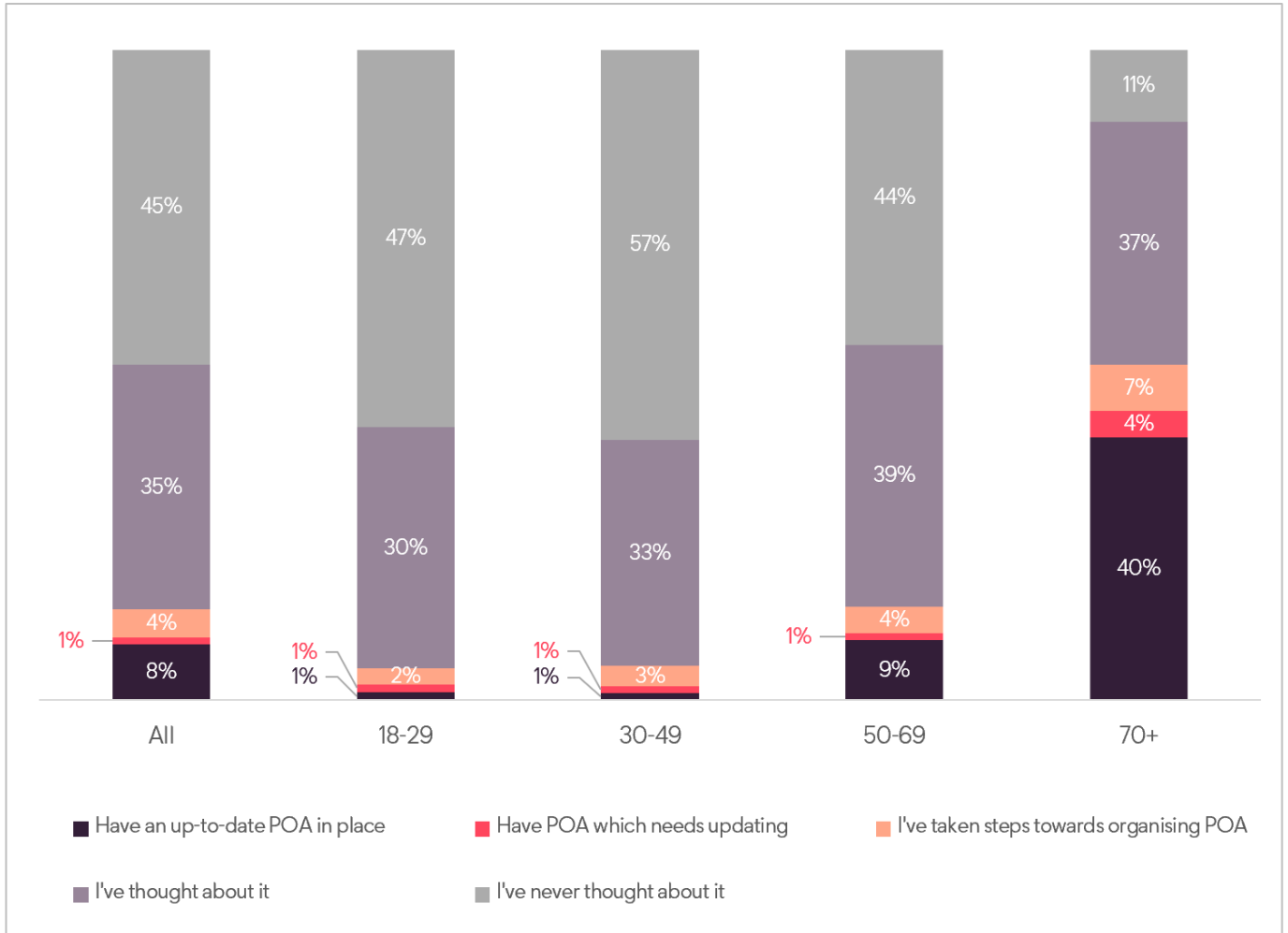
If a couple has a joint bank account and a home in joint names, one person can legally make decisions for the other even if they do not have POA.

Considering the lack of awareness, interest and misconceptions it is not surprising that just under half (46%) consider POA to be important. Even as people get older, it's perceived as a relatively low priority.

Less than 1 in 10 have an up to date Power of Attorney in place

Most people aren't thinking about POA until their 50s or 60s; even then, only 9% of those aged 50-69 have an up-to-date POA in place.

Action to have Power of Attorney



Which of these best describes your current situation regarding putting Power of Attorney in place for yourself? (% n=1005)

Those who have POA in place already are significantly more likely to have been appointed as an attorney themselves or to have direct experience of a relative facing health challenge.

A number of practical and emotional barriers exist for people, over and above the misconceptions mentioned above. These range from choosing who to trust and nominate as attorneys to more straightforward concerns such as cost. 23% said they would find it difficult to start a conversation with someone regarding Power of Attorney and their future wishes, whilst 21% stated that they would find it difficult to choose their attorney(s).

New information can change perceptions

We also sought to understand whether new information about POA could be effective at increasing people's understanding and propensity to take action. Encouragingly we have identified some key opportunities that could help organisations do more to increase awareness of POA:

- 77% responded positively to a short education statement about Power of Attorney agreeing that it "makes putting POA in place seem a sensible step to take"
- 54% said it felt relevant to them personally
- 52% said they learnt something new or surprising, in particular that each POA is relatively low cost compared to their expectations (£82 for one type of POA) or that you don't have to use a solicitor



I thought you had to use a solicitor for Power of Attorney, and I was also surprised by the cost and the fact that this could be done online

Focus group participant, male, 68 (Some knowledge of POA)

Those that have POA in place perceive the most important benefits to be "makes life simpler for those closest to me" and "gives me peace of mind". Making life simpler for others ranked significantly higher than making life simpler for themselves, which is an important consideration for anyone looking to encourage people to set up their POA.

Where and when to get information

When it comes to finding out more about POA, people are open to using a range of sources. The top sources of information that people would go to are:

- 42% Online sources/ independent research
- 40% Solicitor or will writer
- 39% The government (including the Office of the Public Guardian)
- 25% Citizens Advice Bureau
- 21% Friend or family member
- 18% Charities

In the focus groups we also heard that other organisations can influence people to consider setting up POA, such as independent financial advisers.



My financial adviser this time last year, he said...you've got to put the [health & welfare] one in place now as well

Focus group participant, male, 66 (POA in place but not enacted)

We also explored when people should put POA in place. Throughout the research it was clear that POA is heavily associated with old age and decline, however on receiving additional information, people would consistently reconsider the age at which they felt was the right time to get POA. The average ideal age to put POA in place came down from 56 to 51 after education of key messages. The research highlights that it could be impactful to link POA to key life events and experiences along with the effectiveness of partnering with charities and/or professionals. Interestingly three life moments emerged as a good time to put POA in place:

- Being diagnosed with an illness (68%)
- Making a will (63%)
- Retiring from work (48%)

Conclusions and next steps

The inconvenience and risks associated with not having POA in place can be significant, but most people struggle to prioritise this in the course of their busy lives. A range of practical and emotional factors act as brakes and deterrents to taking action, therefore a clearer call to action about the consequences of failing to act needs to be evident.

Against a backdrop of longer and often more complicated lives, we believe it is vitally important to tackle the high levels of inertia and misunderstanding around POA, and to do more to support people to put them in place for themselves and for others around them earlier in their lives. Putting it in place is easier, cheaper and more straightforward than many people assume, and the peace of mind it can provide can be significant. We know that people who have POA in place talk of feeling relieved, calm and reassured. Whilst this has broad relevance, it is particularly important for carers where their caring responsibilities are likely to escalate to the point of being responsible for the actions you can take with POA.

Many different sectors and services have an important role to play, including the financial services industry. Phoenix Insights is publishing this paper not only to share the findings but also to help identify and engage with others who are interested in driving change on this important topic.

Methodology

Based on qualitative research (October 2024) and a survey of 1005 adults, nationally representative of Great Britain, conducted in November 2024 by Message House BPI for Phoenix Insights.

Phoenix Insights would also like to thank the team at Carer's UK who supported the research.