



Public Trustee

Protecting Elderly & Vulnerable Western Australians

Information for represented persons and their families regarding the Public Trustee's role as an administrator.

The Public Trustee provides quality will-drafting, trustee and asset management services to all Western Australians. We can assist you or your loved ones with:

- Wills and Will Storage
- Enduring Powers of Attorney
- Deceased Estate Administration
- Trustee Services
- Financial Administration
- Give2Good Foundation

What is a represented person?

A represented person is a person whom the State Administrative Tribunal (SAT) has declared unable to manage their own financial affairs (e.g. due to dementia, mental illness or cognitive impairment) and to be in need of an administrator. A hearing is conducted before SAT makes this decision, which is subject to appeal or review.

What is an administrator?

An administrator is the person appointed by SAT, under an Administration Order, to make financial decisions on behalf of the represented person. SAT might also appoint a guardian. The guardian is responsible for making lifestyle decisions for



the represented person (for example, regarding medical treatment or accommodation). An administrator will often liaise with a legally appointed guardian when considering requests for expenditure.

What is the Public Trustee's role?

The Public Trustee can be involved in the estate of a represented person in the following ways:

- by being appointed as one of two types of administrator for the represented person:
 - a plenary administrator (responsible for making all financial decisions), or
 - a limited administrator (responsible for making decisions only in relation to a specific issue, for example, the sale of a house)
- or, when a private administrator is appointed, by examining the accounts of the represented person which are prepared by the private administrator.

This brochure provides information about the Public Trustee's role when appointed as an administrator. To find out more information about the Public Trustee's role in examining the accounts prepared by a private administrator, please telephone 1300 746 116 or visit www.publictrustee.wa.gov.au





What services do we provide as administrator?

As administrator for a represented person, the Public Trustee might perform the following tasks on behalf of the represented person:

- Collect and bank income
- Pay an allowance to the represented person
- Pay bills and accounts
- Recover debts
- Manage assets and liabilities
- Manage, purchase, sell and maintain real estate
- Prepare and lodge tax returns
- Carry on a business
- Budget, plan and invest for future needs
- Undertake legal action if and when appropriate

The Public Trustee always makes decisions that are in the best interest of the represented person when acting as their administrator. The administrator is ultimately responsible for all funds spent on behalf of the represented person and may have to prove to SAT that payments are in their best interest. That is why the Public Trustee is required to obtain written evidence, for example receipts or loan documents, to justify most financial transactions when it acts as an administrator.

The Public Trustee provides a similar role as trustee when a court, tribunal or assessor awards damages to a person who is injured, and that person is unable to manage the money themselves.

What is the cost?

When we are appointed as a plenary administrator, three standard annual fees may apply.

- A personal financial administration fee based on the amount of contact with the Public Trustee, where the represented



person lives, where the main source of income is paid to and who manages the represented person's day to day finances.

- An asset management fee, based on the value of certain assets, such as cash, bank accounts or share portfolios (but not including the represented person's property, motor vehicles, household furniture and effects or personal jewellery).
- A residence and real property fee for each property, retirement village unit, relocatable home, mobile home or caravan (permanently located in a caravan park). This does not include the represented person's principal place of residence or that of his/her spouse, de facto partner or minor child. The Public Trustee will continue to consider a home as the represented person's principal place of residence for 12 months after s/he leaves it as long as it is not rented to a third party.

When we are appointed as a limited administrator, three standard annual fees may apply:

- A transaction fee, based on the number of transactions we perform.
- An asset management fee, based on the value of certain assets, such as bank accounts or share portfolios (but not including the represented person's property, motor vehicles, household furniture and effects or personal jewellery).
- A residence and real property fee for each property, retirement village unit, relocatable home, mobile home or caravan (permanently located in a caravan park). This does not include the represented person's principal place of residence or that of his/her spouse, de facto partner or minor child. The Public Trustee will continue to consider a home as the represented person's principal place of residence for 12 months after s/he leaves it as long as it is not rented to a third party.

Other fees may also apply. All of these fees will be further explained when you meet with a Trust Manager.

What about family members?

The Public Trustee often consults with family members when making decisions about expenditure, investments and other matters relating to the represented person's interests and may be directed to do so by SAT. However, confidentiality provisions do apply and general discussion with third parties is not always appropriate.

What about gifts?

An administrator is not allowed to make a payment that s/he is not required by law to make or to transfer funds for charitable reasons or as a favour without specific authorisation from SAT.

Who does the Public Trustee report to in its role as an administrator?

As an administrator, the Public Trustee must comply with the *Guardianship and Administration Act 1990*. It may also need to apply to SAT for permission to do certain things. The Public Trustee is accountable to SAT and has a direct reporting relationship to Government, through the Department of Justice, and may be required to explain matters to the Attorney General. The Public Trustee is also subject to the scrutiny of the Ombudsman, who has the power to investigate certain matters and report adverse findings to the Parliament of Western Australia, as well as the Auditor General.

Investments

Depending on the represented person's needs, the Public Trustee may choose to invest their money in one of the four Public Trustee Investment Funds, superannuation, as well as place some in the Common Account, which is used as the operational account for day to day needs. Management fees are applicable but these are deducted from the funds before interest payments are credited back to the represented person's account.



Individual fees are not charged. Money held in the Common Account earns interest calculated daily and is credited to the represented person's account on a twice-yearly basis. The Public Trustee Investment Funds are sometimes also called Strategic Investment Accounts and are strategic common accounts under the *Public Trustee Act 1941*.

What is the process?

When the Public Trustee receives the Administration Order from SAT appointing it as the administrator for a represented person, a Trust Manager is assigned to the represented person. The Trust Manager will get in touch with the represented person to discuss the Order.

Operational Subsidy

The Public Trustee provides a community service to represented persons by ensuring that those people who are genuinely unable to pay can still access our services. Under our Operational Subsidy, only the minimum fee of \$33 per month will be taken if the value of the liquid assets managed under the Administration Order (which includes cash, bank accounts, term deposits, managed funds, shares or money in the Public

Trustee's Common Account or Investment Funds) is less than \$5,000 or if the fee reduces the value of these liquid assets below \$5,000. In addition, with the exception of the minimum fee, the total fee to be taken will not exceed 5% of the total value of the estate under administration (excluding motor vehicles, furniture, personal effects and jewellery). Disbursements, legal and miscellaneous services fees are excluded from the Operational Subsidy.



Public Trustee

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