

How to Informally Help Manage Money



If you see an elderly family member having difficulty with financial decisions, you might be able to help them out. Together with financial wellbeing experts, nudge, we take a look at a few ideas how:

If someone you care about is struggling with their finances because of a medical condition, mobility problem or mental health issue, you probably want to do whatever you can to help. But you can't just barge in and take over, you need to remember that the law says you must assume that someone is able to decide for themselves unless there is evidence that they can't.

No matter how worried you are, you can only ignore or overrule a person's financial wishes if they lack 'mental capacity' – the ability to make their own decisions. Are they unable to manage their money because of a temporary mental health problem? If so, could big financial decisions be put off until they recover?

Whatever help you offer, make sure you understand what's involved and that you're able and happy to take on the work and responsibilities. There are various ways of helping someone to go on making their own decisions about money and many ways that you can help.

Help with Paperwork

If your elderly relative is finding it increasingly difficult to understand written information, you can go through any important documents with them, for example, information about bank accounts, benefits and tax. Point out the important parts that they need to understand and explain unfamiliar terms and ideas.

Many people find filling in forms daunting. You can help by talking them through the questions on the form and writing in their answers, leaving them to just add their signature.

Help with Meetings

From time to time, your elderly family member may need to meet face to face with someone like a benefits adviser, bank, financial adviser or solicitor. These meetings could be less stressful for them if you can go along too.

You can also help by:

- Making sure their situation is clearly explained and understood.
- Taking notes so that later on you can both review what was said before they make a decision.
- Asking questions if you think something has been forgotten.
- Guiding decisions – making sure they don't make a decision too quickly before all the issues have been carefully considered.
- Being on the alert for rogue firms that might take advantage of a vulnerable person.

Help with Day-to-Day Money

If you feel you need to keep an eye on your relative's day-to-day spending, you could:

- Suggest that you make shopping trips together.
- Offer to read through bills and statements when they arrive.
- Help them to pay their bills on time.

If your relative has to go into hospital you can be given temporary power of attorney, which says that you're allowed to manage their affairs for that period of time (but only as long as they still have mental capacity).

Giving More Intensive Help

If your elderly relative is starting to need more and more help, it might be useful for you to become their attorney on a permanent basis. This means you can easily step in as and when help is needed.