

# Money management support for older people varies greatly, research finds

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New research has found that the support given to older people who may lack the mental capacity to manage their money varies greatly, which is concerning given the rising number of people with dementia and the

increasing sophistication of financial scams.

The study involved researchers from The University of Manchester interviewing [older adults](#) and [family members](#) providing [support](#), as well as professionals working across social sector roles in Greater Manchester, including [social work](#), domiciliary care, housing provision, charities and local authorities. The researchers also analyzed information available to professionals and the public.

They discovered a lack of clarity about roles and responsibilities regarding assessment and support for older people to manage their money, and a lack of formal assessment for money management as envisaged by the Mental Capacity Act. This could mean that decisions are taken out of the hands of people who have capacity to make them, or that inadequate protection is given to those who need more support.

In professional guidance, the topic of mental capacity and money is predominantly dealt with under the umbrella of abuse and safeguarding, which suggests that support appears to be initiated in response to a safeguarding crisis, rather than being proactive and preventative in helping older people to live well.

The findings suggest that there is highly inconsistent practice in the support available to older people to manage their money, particularly if they do not have family who can assist. Professionals often feel uncomfortable talking about money or providing practical support, because they lack knowledge themselves, or are worried about giving incorrect information, or being accused of financial abuse. Instead they emphasize signposting people to other sources of information, saying that this focuses on empowering people to make decisions for themselves.

However, half of working-age adults in the U.K. have the numeracy

skills of a primary school child which means that signposting may not help much for many people, especially if they are experiencing cognitive problems.

The researchers found that managing money is extremely personal and emotional for all involved, so people may be unwilling to seek or allow help and might not make rational or consistent decisions. This is not well reflected in the supporting information for the public, which conveys the impression that everything will be clear and that it will be straightforward for everyone involved to agree on what is required.

Dr. Alex Hall, the study's lead author, says, "This was an exploratory study designed to shed light on a topic that we know little about—the findings are of great importance to inform discussions about how best to support older people to manage money in contemporary society. The current cost-of-living crisis is particularly challenging for many [older people](#) and it is important to ensure they do not experience unnecessary barriers to support," Alex added. "It is critical that policymakers develop a dedicated strategy for [mental capacity](#) and money management within the social care sector to ensure timely and proactive support. This strategy may benefit from involving the health, social, legal, debt and financial services sectors in its development."

"This is an important—and at times alarming—study by The University of Manchester," said Emma Watkins, managing director of retirement at Scottish Widows. "Making crucial decisions about your finances can be a daunting experience at any point in your life, but in your later years when you are more likely to be vulnerable, that burden is even greater."

"With people living longer life spans and with conditions such as dementia sadly increasing in prevalence in the U.K., it is vital that the financial sector provides people with the support they need at retirement—whether that's providing additional help through better

education, easy-to-use online tools, access to financial advisers or making it easier for a relative to act on their behalf."

"It's important that we recognize how deeply emotional it can be for people to navigate day to day [money](#) issues," said Professor Debora Price, Professor of Social Gerontology at The University of Manchester and the study's co-lead. "Money always has layers of meaning in any family and this is especially so in the midst of experiencing cognitive challenges. Recognizing this and thinking about how to provide practical help are key to improving quality of life."

Provided by University of Manchester

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