

# Managing money in later life: mental capacity assessment and support

## Summary briefing

Dr Alex Hall

Dr Christina Straub

Professor Debora Price

Professor Nicola Glover-Thomas

March 2023

This project is funded by the National Institute for Health and Care Research (NIHR) under its Research for Social Care within Research for Patient Benefit (RfPB) Programme (Grant Reference Number NIHR201863). The views expressed are those of the author(s) and not necessarily those of the NIHR or the Department of Health and Social Care.

## Context and study aims

The ability to manage money is vital for independent living, but is highly sensitive to changes in thinking and reasoning skills, which may particularly affect older people. In England and Wales, the Mental Capacity Act 2005 (MCA) provides the legal framework for determining someone's ability to make decisions, but it is unclear how useful it is to assess financial decision-making ability from day to day. In this study, we explored how social care/social sector professionals, older people and their families address the challenge of declining mental capacity to manage money in later life.

## Methods

The study was conducted in Greater Manchester. We interviewed 28 social care/social sector professionals, and 13 older people/family members, to explore their experiences of support for older people living with cognitive decline to manage money. We focused on how challenges in managing money are identified, and what support is available. We also looked at the nationally available information resources to guide professionals and the public.

## Key findings

- Judgements about someone's capacity to manage money tend to be made informally and generally. There is a lack of formal, detailed assessment of specific aspects of money management in accordance with the MCA.
- Knowledge about legal issues and procedures regarding mental capacity and money management is highly variable, among professionals and the public. There is a lack of training for professionals in applying the MCA in the context of financial decision-making and in how to provide appropriate and timely support for people with day-to-day money management.
- Professionals often feel uncomfortable in raising the topic of money management and in providing support to older people. There is a lack of clear roles and responsibilities around assessment and support.
- Managing money is extremely personal and emotional, both for older people who may be experiencing difficulties and for people who are attempting to provide support. There is limited recognition of this in the available information resources, which focus more on procedures such as how to set up Lasting Power of Attorney.

## Implications

There is a need for a dedicated strategy for the topic of mental capacity and personal finances within the social sector. This should contain greater clarity around roles, responsibilities and support, and training about mental capacity in the context of managing money that is realistic, context-specific and embedded as core training. Development of training and support approaches would benefit from a multi-agency approach and co-production with older adults and unpaid carers.