



# Managing your money

Living with  
dementia series





# Contents

<b>1</b>	<b>Managing your money</b>	<b>3</b>
<b>2</b>	<b>Using money and paying bills</b>	<b>5</b>
	Cash	5
	Chip and pin	7
	Contactless payments and smart technology	8
	Direct debits and standing orders	10
	Cheques	11
<b>3</b>	<b>Bank accounts</b>	<b>13</b>
	Joint bank accounts	13
	Individual bank accounts	15
	Online banking	18
	Telephone banking	19
<b>4</b>	<b>Powers of attorney</b>	<b>21</b>
<b>5</b>	<b>Benefits</b>	<b>27</b>
<b>6</b>	<b>Trusts</b>	<b>31</b>
<b>7</b>	<b>Keeping your money safe</b>	<b>33</b>
<b>8</b>	<b>Other useful organisations</b>	<b>36</b>





# Managing your money

1

**When you have dementia you may find you have problems with memory, thinking and concentration. This can make different aspects of dealing with money difficult.**

For example you may forget to pay bills. Or you might find it hard to work out how much money you need to pay for something, or to recognise different notes or coins. This booklet includes some ideas for things you can do to make it easier to manage your money.

It can also be helpful to think about managing your money in the future. While you might find it hard to think ahead too much, it can help to be prepared. For example there may come a time when you need to ask someone to manage your money for you. This booklet outlines some aspects to think about and where to start with these.



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Connect support line on **0333 150 3456**

3



# Using money and paying bills

2



## Cash

It can sometimes be confusing to use cash. You may find it hard to recognise different notes and coins, to add them up or to count your change. You may also have difficulty keeping track of how much cash you've taken out of your bank account and how much you've spent. Try the following suggestions to make it easier to use cash.

- **Work out how much money you will need for a week** then take that amount out from a cash machine on the same day each week. You can usually select to receive a receipt when you do this.
- **Start a 'cash book'** to note how much cash you've taken out from your account and how much you've spent, so that you have a record to refer to.
- **Banks can change notes into coins** and put them into plastic bags for you. If you use small amounts of cash to buy the same items each week, put the exact money you need for each payment into different bags.



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5



## 2

For example, you might pay for milk every Monday or a newspaper every Saturday.

- Put the correct money for these items into separate bags or envelopes each week when you get cash out.
  - Put a label on each envelope so that you know what the money is for.
  - Keep the envelopes in a safe place where you will easily find them.
- **If you drive, keep a few coins in a plastic bag** in the glove compartment to pay for things like parking and road tolls. Only keep a small amount of cash in the car, and make sure it is out of sight – especially when you leave the car parked.
  - **If you have physical difficulties** that make it hard to use cash, ask your GP to refer you to an occupational therapist – they may be able to help you.
  - **You can also find ways to pay for things without using cash.** For example you could pay bills by direct debit or use a debit card to pay for your shopping. See the following pages for more information about these options.

**‘If I need some cash I go into the bank and ask for four £5 notes – the cash machines don’t give that option.’**

Person living with dementia





## Chip and pin

2

Debit cards that use a 'chip and pin' have been designed to make it easier and more secure to pay by card. Instead of signing your name, you insert your card into a keypad and then enter a four-digit pin number. You can choose this number yourself. It should be one that is easy for you to remember but difficult for other people to guess.

If you think you will find it hard to remember a pin number, talk to your bank. They may suggest you instead use a 'chip and signature' card so that you can sign your name. Or they may suggest you use a contactless card – see the next page for more details.

If you find it difficult to sign your name, banks can give you a card that identifies you in other ways – such as a photo card. Or you can use a rubber stamp to sign your name. See **'Cheques' on page 11** for more details about using a signature stamp.



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## 2



# Contactless payments and smart technology

Contactless bank cards can also make it easier to pay for things. Instead of signing your name or entering a pin number, you hold or 'tap' the card over the keypad to pay. You can only do this to spend up to a limited amount at a time (currently £100).

A contactless card might be a good option if you find it difficult to remember numbers or sign your name. However, it might not be a good idea if you often misplace things. It would be easy for another person to use your contactless card, so you need to be careful not to lose it. If you do lose your card, call your bank straightaway to cancel it.

It's also possible to make a contactless payment using a smart device, such as a mobile phone, tablet or watch. This can work in a few different ways – for example some devices don't have a limit on the amount you can spend (unlike contactless cards). These options might be suitable for some people but not others. If you would like to use a smart device to make contactless payments, talk to your bank. Make sure you're happy about how it works and that it is secure.

As with a contactless card you'll need to be careful not to lose your device if you are using it to pay for things. That is why this might not be a good option if you often misplace things. If you do lose your device, call your bank and the service provider for your device straightaway.





**'I very seldom need or use cash.  
I fell in love with contactless payments.'**

Person living with dementia





# Direct debits and standing orders

## 2

A direct debit is an instruction to your bank to automatically pay an amount of money you owe. For example you can set up direct debits to pay most regular bills. This includes things like gas, electricity, water, TV licence and council tax. You may find it helpful to set up a direct debit because it means you don't have to deal with the payments each time.

Direct debits are especially useful if the amount you need to pay regularly changes. You will receive bills as usual, so you can check how much you're being charged, but you don't have to do anything else. Some companies will charge you less if you pay by direct debit. They can also tell you how to set it up.

A standing order is similar to a direct debit, but it is an instruction to your bank to regularly pay a fixed amount. You may find it useful to set up a standing order to pay amounts that don't change very often – for example your rent.

Talk to your bank about direct debits and standing orders, and the different protections that go with them.

**'As all my bills are paid by direct debit  
I only have to pay for my weekly  
hairdresser appointment and food.'**

Person living with dementia



# Cheques

2

Some people still like to use cheques to pay for things. It can be easier and safer than carrying cash. You can also use a cheque book to keep a record of what you have spent. However cheques are less common than they used to be. Not every shop will take them – many supermarkets and high street shops won't take cheques but some smaller shops still do. You can still pay most bills by cheque.

The following tips may help if you want to keep using cheques.

- **Use a plastic signature guide** to help you write your signature in the correct place. Ask your bank if they can give you one of these.
- **If you find it difficult to grip a pen**, use an adapted pen or a pen grip.
- **Some banks allow people to use a rubber stamp** with their name rather than sign their name by hand. This may help if you find it hard to write. Ask your bank if they allow this – if they do, ask how you can get a stamp. Make sure you keep the stamp in a safe place so that no one else can use it.



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# Bank accounts



## Joint bank accounts

3

A joint bank account allows two or more people – the ‘account holders’ – to manage all aspects of the account including paying bills. The account holders could be partners, other family members or people who have shared expenses.

Some joint accounts allow each person to make payments and withdraw money without the other account holder(s) needing to sign or agree. Other joint accounts need all the account holders to sign or agree. In both of these situations you might struggle as your dementia progresses and you find things more difficult. You may not be able to monitor the joint account or give your consent to payments and withdrawals. Therefore think about which type of joint account would be best for you, both now and in the future, and whether having a joint account is the best thing for you.

Some banks won’t allow a joint bank account to continue if one of the account holders loses the ability (sometimes called ‘mental capacity’, or just ‘capacity’) to manage it. If this happens the bank may stop or ‘freeze’ your account until someone has the legal power to act on your behalf.



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This would usually be someone with a Lasting or Enduring power of attorney or a deputyship (or controllership in Northern Ireland) – see **‘Powers of attorney’ on page 21**.

If a bank knows that someone is acting as your attorney, deputy or controller, they will usually want you to have your own bank account. If you are thinking of appointing someone to act as your attorney, talk to your bank.

3





## Individual bank accounts

**3**

You may find it easier to have your own bank account. For example this would mean that your pension, salary or benefits are paid directly into your account and your payments would also go out from this account. This can make life simpler.

Having your own bank account can also make it easier to manage your money when it comes to paying for care. This is because a local authority should only look at how much money the person who receives the care has (known as ‘means testing’) and not how much money their partner has.

Managing your own account will be easier if you write down everything you spend in a simple cash book (**page 5**), as well as any money you take out from cash machines.

If you want to have your own bank account but you would like someone to help you manage it – such as a close friend or family member – ask your bank for a ‘third-party mandate’. This allows someone else to sign cheques and manage your account for you. Think carefully about who you ask to do this – it should be someone you know and trust.





A third-party mandate is only valid while you are able or ‘have the capacity’ to manage your own account. If you lose that ability, the mandate will stop and the person will no longer be able to help you with your account.

### 3

Another option for managing your account in the long term is to make a Lasting power of attorney (LPA) (or an Enduring power of attorney (EPA) in Northern Ireland) – see **page 21** for more information about these. You can make a version of a power of attorney that allows someone to manage your account (with your consent) while you’re able to manage it yourself and also to manage it on your behalf when you can’t. The important thing about LPAs and EPAs is that they will still be effective if you’re unable to manage your account yourself.







## Online banking

3

If you use the internet, you might find it easier to use online banking than to visit your bank. Online banking allows you to 'log in' to your account by going to your bank's website or via an app. You will need to set up a password to access your account. You can then see it using a computer, tablet or smartphone.

You can use online banking to do many of the same things you would do by going into your bank. This includes seeing how much money is in your account, and what has gone in and out. You can also make payments and manage direct debits and standing orders see **'Direct debits and standing orders' on page 10.**

Online banking might be a good option if you find it hard to get to your bank or you prefer to do things at home. If you think you might find online banking helpful, talk to your bank about how to set it up and keep it secure.

**'Online banking and internet shopping were a huge relief to me.'**

Person living with dementia



## Telephone banking

Telephone banking is another option if you find it hard to get to your bank or you don't have access to the internet.

Telephone banking allows you to access your account and make payments over the phone. Most banks offer telephone banking and you can do most of the things you can do online see **'Online banking'** on page 18.

3









# Powers of attorney

**There may come a time when you need someone to make some decisions for you. A power of attorney is a legal tool that allows you to appoint someone (the ‘attorney’) to do this.**

You can choose who you appoint to act as your attorney, and you can decide what powers to give them. The attorney has to do what is best for you and they must always think about your wishes and needs. You can choose to give them general powers so that they can make decisions on most things. Or you can give them specific powers – for example to only make decisions about your property.

You can make a power of attorney if you have already been diagnosed with dementia, but you must be able to show that you understand what it is and what it means – its ‘legal significance’. Because dementia is a progressive condition, it is a good idea to start thinking about making a power of attorney as soon as you feel able to do this.

If you live in England and Wales, the current system is the Lasting power of attorney (LPA). There are two types of LPA, depending on the decisions you want the attorney to make.

4



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# 4

The first is a property and affairs LPA. This enables the attorney to make decisions about your property and finances either as soon as the LPA is registered (with your consent) or when you can no longer make those decisions for yourself. You can specify which option you want on the LPA form. This can include decisions about:

- paying your bills
- collecting your income and benefits
- selling your house.

The second is a health and welfare LPA. This enables the attorney to make decisions on your behalf about your health and welfare only when you can no longer make those decisions for yourself. These decisions can include:

- deciding where you live
- giving or refusing consent to medical treatment.

If you live in Northern Ireland, the current system is the Enduring power of attorney (EPA). An EPA only gives the attorney the power to make decisions about your finances and property. It does not cover decisions about your health and welfare.

The old system in England and Wales used EPAs, so some people may still have an EPA. It will be valid if it was granted before October 2007 and it has been properly signed by all parties. It does not cover decisions about your health and welfare.



You may want to speak to a solicitor before you make an LPA, but you don't have to. If you do speak to a solicitor make sure they confirm how much they will charge you at the start of your conversation.

To make an LPA you will need to fill out a form and the document will need to be registered at the Office of the Public Guardian (OPG) before it can be used. You can make an LPA online using a tool created by the OPG – go to [www.lastingpowerofattorney.service.gov.uk/home](http://www.lastingpowerofattorney.service.gov.uk/home)

If you don't have access to the internet, or you don't feel able to complete the forms on a computer, Alzheimer's Society offers a digital assistance service. Our trained volunteers can complete the LPA forms on your behalf using the OPG's online tool. If you want to know more about this service call **Alzheimer's Society** on **0333 150 3456**. The service does not offer legal advice.

In Northern Ireland it is not possible to make an EPA online.



**For more information on LPAs see factsheet 472, Lasting power of attorney. For information on EPAs in Northern Ireland see factsheet NI472, Enduring power of attorney and controllership. For information about planning ahead more generally see booklet 1510, Planning ahead.**



**For more help and advice call our Dementia Connect support line on 0333 150 3456**

You may come across something called a General or Ordinary power of attorney. However, unlike an LPA or EPA, these will not be effective if you become unable to make decisions about your finances yourself in the future.

If you don't make an LPA or EPA and you later become unable to manage your money, there may be a time when no one can legally do that for you. This can make it difficult to do things like pay your bills or care costs. If this happens, someone such as a partner or family member may need to apply to the Court of Protection to become your deputy.

# 4

**‘Soon after diagnosis, me and my daughters sat down and wrote my Lasting power of attorney. Yes, it was a difficult conversation, but at least I now know my daughters won’t have to make those difficult emotional decisions in the future as they’re now filed safely away until needed.’**

Younger person living with dementia

If you're in Northern Ireland, they will need to apply to become your controller with the Office of Care and Protection. The processes to set up a controller or deputy take longer and are more expensive than making an LPA or EPA. Also the court will choose who is appointed as the controller or deputy, not you.



**For more information see factsheet 530, Deputyship, and for Northern Ireland see factsheet NI472, Enduring power of attorney and controllership.**

If you have no property or savings and all your income comes from benefits, a deputy or controller may not be needed and an 'appointee' can be appointed instead (see 'Appointees' on page 29).

4



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# Benefits

**Some people with dementia are entitled to receive benefits.**

Benefits are paid regularly, for example every four weeks, and can be paid in three ways:

- **directly into a standard bank or building society account**
- **into a basic bank account** – these are easier to open but do not allow you to do as many things
- **into a Post Office card account** – these are designed to receive only benefits, state pension and tax credit payments. The government is trying to phase out these accounts. If you have a Post Office card account you can also nominate someone you trust to have a card to access it. They will only be able to access it while you have the ability to manage the account yourself.

You can access some standard and basic bank accounts at a local Post Office. Ask your own bank whether they allow this.

5



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A photograph of two women standing outdoors near a body of water. The woman on the left has long white hair and is wearing a blue patterned sleeveless top and white shorts. She is leaning against a mossy stone wall. The woman on the right has short blonde hair, wears glasses, a white t-shirt with small star patterns, and tan trousers. They are both smiling. The background shows a blue sea and a clear sky.

5



# Appointees

As dementia progresses, many people will find they are unable to manage their own money arrangements, including income from benefits. If this happens, someone else can manage your income from benefits for you. This is called acting as an 'appointee' and it only applies to benefits, not to any other money you might have. An appointee is usually a close relative who lives with you or visits you often, or a trusted friend or neighbour. They will need to apply to the Department for Work and Pensions (DWP) for permission to be your appointee.

If you have already arranged a Lasting or Enduring power of attorney, the attorney can manage your income from benefits so you won't need an appointee as well. See 'Powers of attorney' on page 21.



**For more information see factsheet 413,  
Benefits for people affected by dementia.**

**5**

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Connect support line on **0333 150 3456**







# Trusts

**If you have assets such as property or savings, you may be able to set up a trust. This is a legal arrangement that allows someone else to manage these assets on your behalf but in line with your wishes.**

A trust will make sure your money is used how you want it to be. It could also include money used to pay for your care or where you live in the future.

There are several types of trust and different ways to arrange them. Setting up a trust can be complicated and expensive as there are specific rules attached to them. Therefore not everyone is able to do this, so you will need to talk to a solicitor.

6



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# Keeping your money safe

**We all want to keep our money safe and make sure it's used as we want. Unfortunately anyone can be affected by financial scams and tricks – but there are ways you can protect your money both now and for the future.**

Use the following tips to keep your money safe.

- **Set up a property and affairs LPA** (if you live in England or Wales) or an EPA (if you live in Northern Ireland). This can allow someone you trust to help you look after your finances now or in the future.
- **Discuss your finances with a person you trust** such as a member of your family, carer or a close friend. A person who knows you well will notice anything unusual – for example if you seem to be buying unnecessary things or you don't have as much money as you should.
- **Keep a good record of your finances**, including bank statements and bills.
- **Think about putting a limit on your credit or debit cards** so that only a certain amount of money can be taken out at a time. Talk to your bank if you want to do this.

7



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- **If you employ a carer or people to support you at home**, you can check their background and references through a Disclosure and Barring Service (DBS) check – see [www.gov.uk/government/organisations/disclosure-and-barring-service](http://www.gov.uk/government/organisations/disclosure-and-barring-service)
- **Stop junk mail and unwanted telephone calls** by registering with the Telephone Preference Service and the Mail Preference Service (see ‘Other useful organisations’ on page 36).
- **Put a sign on your front door that states ‘No cold callers’** – some local authorities provide these signs for free.
- **If you are not sure or feel uncomfortable** about any requests or offers to do with money, speak to someone you trust like a friend or family member.





7



# Other useful organisations

## **Age UK**

0800 169 8787 (general enquiries)

0800 678 1602 (advice line, 8am–7pm every day)

[www.ageuk.org.uk](http://www.ageuk.org.uk)

## **Age Cymru (in Wales)**

0300 303 4498 (advice line, 9am–4pm Monday–Friday)

[advice@agecymru.org.uk](mailto:advice@agecymru.org.uk)

[www.ageuk.org.uk/cymru](http://www.ageuk.org.uk/cymru)

## **Age NI (in Northern Ireland)**

0808 808 7575 (advice line, 9am–5pm Monday–Friday)

[advice@ageni.org](mailto:advice@ageni.org)

[www.ageuk.org.uk/northern-ireland](http://www.ageuk.org.uk/northern-ireland)

Age UK provides information and advice for older people in the UK.



### **Disability Service Centre**

[www.gov.uk/disability-benefits-helpline](http://www.gov.uk/disability-benefits-helpline)

### **Personal independence payment (PIP)**

0800 121 4433 (9am–5pm Monday–Friday)

Textphone: 0800 121 4493

### **Disability living allowance**

0800 121 4600 (9am–5pm Monday–Friday)

Textphone: 0800 121 4523

### **Attendance allowance**

0800 731 0122 (8am–6pm Monday–Friday)

Textphone: 0800 731 0317

### **Northern Ireland – Benefit Enquiry Line**

0800 022 4250 (9am–5pm weekdays except

Thursday; 10am–5pm Thursday)

Textphone: 028 9031 1092

The Disability Service Centre provides advice and information on Attendance allowance, Disability living allowance, Personal independence payments, Carer's allowance and Carer's credit.



### **Financial Conduct Authority (FCA)**

0800 111 6768 (8am–6pm weekdays, 9am–1pm Saturday)

[www.fca.org.uk](http://www.fca.org.uk)

The FCA regulates financial services in the UK. It provides information to help consumers, including about how to make a complaint.

### **Mail Preference Service (MPS)**

0207 291 3310

[www.mpsonline.org.uk](http://www.mpsonline.org.uk)

The MPS register allows you to opt out of receiving unsolicited mail. You can register with the service for free. The MPS is supported by Royal Mail and the Information Commissioner's Office.

### **Office of the Public Guardian (OPG)**

0300 456 0300

[customerservices@publicguardian.gov.uk](mailto:customerservices@publicguardian.gov.uk)

[www.publicguardian.gov.uk](http://www.publicguardian.gov.uk)

The OPG protects people in England and Wales who may not have the mental capacity to make certain decisions for themselves. The OPG provides free booklets on Enduring powers of attorney, Lasting powers of attorney and Deputyship.



## **Office of Care and Protection (OCP) in Northern Ireland**

0300 200 7812

[OCP@courtsni.gov.uk](mailto:OCP@courtsni.gov.uk)

[www.justice-ni.gov.uk/topics/courts-and-tribunals/  
office-care-and-protection-patients-section](http://www.justice-ni.gov.uk/topics/courts-and-tribunals/office-care-and-protection-patients-section)

The OCP is part of the High Court of Justice in Northern Ireland. It is the administration office that deals with the registration of Enduring powers of attorney and the appointment of controllers.

## **Solicitors for the Elderly**

0844 567 6173

[www.sfe.legal](http://www.sfe.legal)

Solicitors for the Elderly is a national association of solicitors, barristers and legal executives who provide legal advice for older people, their families and carers.

## **Telephone Preference Service (TPS)**

0345 070 0707

[tps@dma.org.uk](mailto:tps@dma.org.uk)

[www.tpsonline.org.uk](http://www.tpsonline.org.uk)

The TPS register allows you to opt out of unsolicited or 'cold' telephone calls. It is operated on behalf of Ofcom. You can register for free.

8



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Our information is based on evidence and need, and is regularly updated using quality-controlled processes. It is reviewed by experts in health and social care and people affected by dementia.

Reviewed by Linda Johnston, Partner at Francis Hanna & Co Solicitors, and Irene Chenery, Consultant at Harrison Drury Solicitors, who are both members of Solicitors for the Elderly

To give feedback on this publication, or for a list of sources, please email [\*\*publications@alzheimers.org.uk\*\*](mailto:publications@alzheimers.org.uk)

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**We are Alzheimer's Society. We are a vital source of support and a powerful force for change for everyone affected by dementia. We provide help and hope.**

If you have any concerns about Alzheimer's disease or any other form of dementia, visit **[alzheimers.org.uk](https://alzheimers.org.uk)** or call our **Dementia Connect support line** on **0333 150 3456**.  
(Interpreters are available in any language. Calls may be recorded or monitored for training and evaluation purposes.)



People affected by dementia need our support more than ever. With your help we can continue to provide the vital services, information and advice they need. To make a single or monthly donation, please call us on **0330 333 0804** or go to **[alzheimers.org.uk/donate](https://alzheimers.org.uk/donate)**



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43–44 Crutched Friars  
London EC3N 2AE

**0330 333 0804**  
**[enquiries@alzheimers.org.uk](mailto:enquiries@alzheimers.org.uk)**  
**[alzheimers.org.uk](https://alzheimers.org.uk)**

Code 1501



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**Information  
you can trust**