

**Managing Money and Finances Following Traumatic
Brain Injury**

Patient Information Booklet



Talis Consulting Limited

Why Can a Head Injury Cause Problems when Managing Money?

Often people will describe the consequences of a head injury in terms of cognitive impairments you might suffer, for example difficulty in maintaining attention, or difficulty in remembering things. However one must always consider how such impairments impact upon everyday activities; and managing money is one such activity that may be affected.



Successful management of your money and your finances includes such skills as:

- **Forward planning** - *Do I need to save for that bill which is coming up?*
- **Numerical skills** - *If I leave a 10% tip, how much is that exactly?*
- **Reasoning skills** - *Which is the better offer out of two competing products?*
- **Memory skills** - *How do I fill in a paying in slip? What is my PIN? How do I use a cash machine?*
- **An ability to resist impulsive spending** - *Should I buy this? Do I need it?*
- **Organisation of tasks** - *If I need to transfer money from my account, what steps do I need to go through to achieve this?*

A head injury is associated with difficulty in all of these mental processes. Moreover, since management of money and finances requires so many different skills, this means that it is often something which people struggle with following a head injury.



Issues with money can also arise because there is a chance that you may receive a legal settlement following your head injury. This means that you may have money coming in which you would not have had before, and it can be hard to adjust to use this new money in a suitable way.

Conversely, you may have experienced a drop in your income due to your head injury, and adjustment to a lowered income can also take awareness and planning skills which are made difficult following a head injury.

Legal Compensation



Often legal compensation will be sought following a head injury, which has many implications for your finances. You may have received a lump-sum of money, or an allowance guaranteed for the rest of your life, or some combination of a lump sum and an allowance. Moreover, you may have legal bills to pay your solicitor. This means that there are a number of important decisions which might have to be made concerning your settlement.

If you have any questions concerning a legal settlement, you can talk to your solicitor, charity organisations such as Headway (contact details at the back of this booklet) or the Citizens' Advice Bureau.

What will the money from my settlement be for?

A claim is usually made for “special damages” (which are awarded to compensate for a direct financial loss: for example, loss of wages, private medical fees, the cost of equipment, travelling expenses, etc.) and “general damages” (which are compensation for pain and suffering, the loss of function due to physical and mental disabilities and future losses, such as from income or promotion).

This means that you should have a good idea of what expenses you have sustained, so you can be suitably recompensed for them. It is often advisable to keep a diary starting immediately after your head injury so you can log all expenses incurred.

Should I think about an interim payment if my case isn't settled yet?

If you are currently seeking a claim, and the case has not yet been settled, then you may wish to speak to your solicitor about interim payments if money is needed immediately. This money can be used for private treatment and rehabilitation, and therefore it is in the benefit of the defendants insurers to make an interim payment, as this means you will get maximum rehabilitation and the final damages will be less.



What happens if it is decided that I cannot deal with my own financial affairs?

The Court of Protection decides whether an individual has the mental capacity to make financial decisions for themselves; and will deal with cases where it is decided that a person does not have the sufficient mental capacity. It was created under the Mental Capacity Act (2005) and has jurisdiction over property, financial affairs and personal welfare.

What is a “Deputy”?

The Court of Protection can also appoint other people (called Deputies) to make decisions on your behalf. Deputies can be a friend, relative, or a professional (such as a solicitor). A Deputy is usually appointed if it is decided that a person is unable to suitably understand, retain, and weigh up information needed to make a decision. A Deputy might also be appointed if a person has trouble communicating their intentions in some way.



However deputies are charged to only make decisions for your benefit, they can only make decisions which the Court of Protection has authorised; and they must make decisions which follow the principles set out in the Mental Capacity Act (2005). The Court of Protection can also remove a Deputy who fails to carry out their duties.

Where can I get more information?

If you have further queries about the Court of Protection or the Mental Capacity Act (2005) then you can talk to your solicitor. Alternatively, you may wish to consult the Citizen’s Advice Bureau.

Finally, there is information available on the internet.

<http://www.direct.gov.uk/en/Governmentcitizensandrights/Mentalcapacityandthelaw/UsingtheCourtofProtection/index.htm>

is a website containing government advice about the Court of Protection.

<http://www.publicguardian.gov.uk/about/court-of-protection.htm>

This website has further information from the Office of the Public Guardian, which supervises the Court of Protection.

The Mental Capacity Act (2005) itself can be viewed here:

<http://www.publicguardian.gov.uk/docs/Mental-Capacity-Act-2005.pdf>

Impulsive Buying

A head injury can damage areas of the brain which are required for inhibition of behaviour, and consequently many people report difficulty in curbing impulsive buying following their injury. If you find that you buy things you don't really need or don't ever use; or you find that the first time you want something is when you see it for sale in the shops, then you may be impulse-buying.

If your impulse buying occurs occasionally, and only for low-value purchases, then it may not become a problem. But if it should be a problem, then impulsive buying can be very difficult to stop. This is because you may not be aware of when your behaviour is impulsive in the heat of the moment. It can also be difficult if you have received a legal settlement, because you have the money available to allow you to make these impulsive purchases. However the following tips might help you to avoid some impulsive choices:

Shop with a list - have a plan

If you make a list of the things you need before you go out to the shops, and make sure that you stick to that list, then this will help you to avoid buying items on a whim.



Make a 30-day list for those items you want

If you see something in the shops you want, then place it on a '30-day list'. This means that 30 days after you have put the item on the list, if you still feel you want the item, you are allowed to go out and buy it. However you may find that during the 30 days the item has lost its appeal, and therefore you have saved yourself an impulsive purchase.



Discuss purchases with someone else

Before you buy something, talk it over with a friend, partner or relative. Get their opinion on whether you truly need it.

Keep receipts and tags on clothing / electronics etc.

If you keep the receipts and tags on items you have bought for about week, then if you recognise that you bought them impulsively, you can at least return them to the shops and get your money back.

Only pay with cash, and only take out a limited amount of cash at any one time.

If you don't have the cash to spend on impulsive purchases, then you will be less likely to make them. Decide beforehand what a suitable amount of money to take out with you is, and ask someone else if you're not sure.

General Tips to Help Manage your Money and Finances

The following section gives some general hints and tips for effectively managing your money. You might like to try some, or all of the tips, and tailor the ones you pick to suit your individual needs.

Set a weekly budget

If you find you have problems keeping track of your money and your spending, then set yourself a weekly budget to stick to. If you set a budget, then this means you will be less likely to overspend.



Keep records of your spending

It is always a good idea to keep records of what you have spent. This is because otherwise you may lose track of where your money has gone, and how much you have spent. If you have a budget you must stick to, then keeping track of your money as it is spent is essential in order to prevent you running short of funds.

If you do keep records of your spending, then make sure you consult them regularly so that you have a good idea of what your current financial situation is.



Keep a list of goals to help you budget

Saving money can be tough. However if you make a list of what you're saving for, then this can help focus your mind, and ensures you know exactly why you're saving. This means that you'll be less likely to spend money on other things you don't really want as much.

Double check everything

If you're filling in a cheque or paying in slip, or paying a bill, make sure you take time to double check everything you're doing. Also, reduce distractions while you are concentrating on these activities, for example don't hold a conversation at the same time as you're filling in your cheques; otherwise careless mistakes might creep in. Verbal 'self-cueing' might also help; this involves talking yourself through the steps required to achieve your goal as you're doing it.

General Tips to Help Manage your Money and Finances (continued)



Use a calculator

You can cheaply buy small calculators which you can easily carry around with you. If you need to work out something numerically you can refer to your calculator to help you. If you do decide to carry a calculator about, make sure you remember it's there if you need it.

If you can't remember how to do something, write it down

Write out the steps required to fill in a cheque or paying in slip, and refer to your written instructions if you found you have forgotten how to do it. Some people also have trouble using a cash-machine, so write out step-by-step what you have to do at the cash machine if you need to. Step by step instructions for the cash machine can be found here: www.wikihow.com/Withdraw-Cash-from-an-Automated-Teller-Machine

How to remember a PIN

Your Personal Identification Number (PIN) is the four-digit number you need to pay with your credit or debit card. Following a head injury certain people report that they have memory difficulties, and remembering a PIN can be problematic.



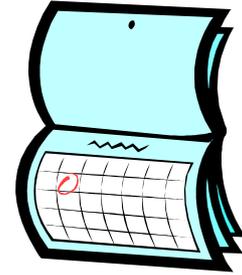
You can use your mobile phone to help you remember your PIN. This strategy works on the fact that remembering a word is far easier than remembering a number.

Think of any word, and use your mobile phone keypad to change the word into letters. Each number on your phone is assigned to three or four letters. For example the word "rain", on your phone keypad becomes the number 7246; the word "cash" would become 2274. When you need to use your PIN, looking at your phone transforms your word into numbers.

General Tips to Help Manage your Money and Finances (continued)

Keep a calendar, and note on it important financial dates

If your rent is due on a certain date, or if you know when you need to pay something off by, then note it down on a calendar. Refer to this calendar often to keep on-top of your finances.



Minimise the use of credit cards



Credit cards can be difficult things to keep track of, because you have to remember to pay off the bill before a certain date; otherwise you'll have to pay costly interest. Also, you can easily lose track over what you have spent. Therefore if you use them as little as possible this minimises the possibility the you'll forget to pay your credit card bill.

If you do use one, then it might be a good idea to note on your calendar what you've bought and when to pay it off by, so this will remind you to pay your credit card bill on time.

Never sign anything you don't understand

If you're being asked to sign a financial agreement or contract, make sure you know exactly what it is you're agreeing to. If you're unsure, then get someone to clearly explain it to you. If you're still not sure then consult someone else and ask their opinion. When it comes to signing something, it's always better safe than sorry. Take your time in order to be sure that this is something that you need and that it is right for you.



Useful Websites:

www.headway.org.uk

- A useful web site with much information about brain injury and rehabilitation in the UK.

www.birt.co.uk

- Another useful web site concerning brain injury, with downloadable leaflets about brain injury and its implications.

<http://www.direct.gov.uk/en/>

MoneyTaxAndBenefits/ManagingMoney/DG_124

- A website from the government concerning all aspects of money management.

<http://www.wikihow.com/Category:Managing-Your-Money>

- A website which gives step-by-step instructions on a wide variety of topics to do with your money.

