



## How fintech can help people with mental health problems

“An automatic bank budgeting scheme [would be helpful] ...Paying bills and maintaining financial stability is crucial in preventing my mental health deteriorating”

Fintech represents an exciting opportunity to develop new tools to help people with mental health problems manage their money and avoid financial difficulty.

### What’s the problem?

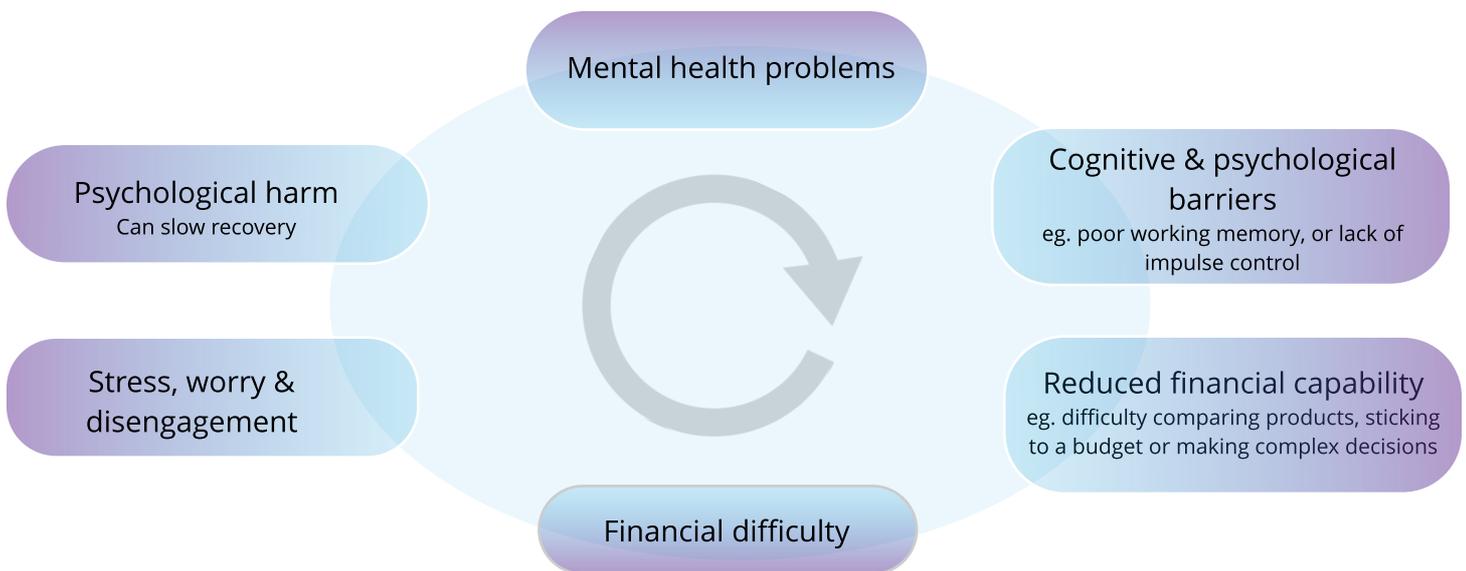
Mental health and money are intricately linked. Mental health problems can make it harder to

manage your money and to engage with financial services.

The stress, anxiety and worry of financial difficulty can cause great psychological harm, and can slow recovery from a mental health problem.<sup>1</sup> People in problem debt are twice as likely to think about suicide as those not in financial difficulty, even when accounting for other factors.<sup>2</sup>

This forms a vicious and devastating cycle, as illustrated in Figure One.

Figure one: The cycle of money and mental health problems:



Source: Money and Mental Health Policy Institute

<sup>1</sup>Skapinakis P, Weich S, Lewis G, et al. Socio-economic position and common mental disorders: Longitudinal study in the general population in the UK. British Journal of Psychiatry 2006; 189: 109-17.

<sup>2</sup>Meltzer H et al. Personal debt and suicidal ideation. Psychological Medicine 2011; 41, 4; 771-778.

## Why invest in creating new tools?

### A big opportunity

One in four of us experience a mental health problem each year. Across the UK this totals nearly 12 million adults,<sup>3</sup> about 3 million of whom will be struggling with problem debts that make it harder for them to recover.<sup>4</sup> These are big problems, ready for solutions.

### Customer demand

Our survey of nearly 5,500 people with lived experience of mental health problems uncovered significant changes in financial behaviour during periods of poor mental health:

- 93% of people spent more
- 92% found it harder to make financial decisions
- 59% took out a loan they wouldn't otherwise have taken out

People tell us they lack the tools needed to help them during a period of poor mental health. There is a clear demand for new solutions.

*"I'd love to be able to contact my bank and say I've got mental health issues and when I'm in a really low place I would like to put a restriction on my bank account."*

### A good business proposition

Helping people manage their finances will also enhance any firm's customer proposition. It isn't just people with mental health problems who would value a bit of extra support to stay on top of their finances. Better tools will help to strengthen the relationship between financial services providers and their customers and could improve customer loyalty.

Developing tools to enable people to better control their finances when unwell should also mean fewer people experiencing problem debt.

Customers in default can cost businesses a huge amount.<sup>5</sup> If we can prevent financial difficulties, the customer and the company will both be better off.

## The UK as a global leader

Developing these tools would accelerate the UK's leading position in the global fintech market, placing the UK as a thought leader in the development of consumer-facing fintech.

### How to use fintech to help people with mental health problems

#### First steps

There are a number of tools which are easy to implement, and in fact a lot of them already exist in different guises. Examples include jam-jarring and alerts on spending behaviour.

We will be mapping out the products that already exist in a subsequent more in-depth paper on fintech.

We are holding a TechSprint in partnership with the Financial Conduct Authority in March, where the aim is to develop new and innovative solutions.

#### Looking further ahead

There are more complex solutions that require further research. For example, people tell us that they are unable to weigh up their decision to take out new credit when unwell. We will continue to explore how we could better identify those who need more support online.

There is also a growing wave of mental health tech, including wearables, which can help people to track their mood and mental health. Linking mental health tech and fintech could help create even more innovative solutions.

#### Important considerations

More and more consumers are managing their money on mobile apps and online, but not everyone can or will want to make this switch. This is especially important for people with mental health problems who may have a phobia of certain forms of communication. It is also important to remember that not everyone with a mental health condition will experience the same impacts.

<sup>3</sup> Money and Mental Health analysis, using ONS 2015 mid-year population estimates and McManus et al, Adult psychiatric morbidity in England, 2007 Results of household, NHS Information Centre for Health and Social Care 2008.

<sup>4</sup> Money and Mental Health analysis, using ONS 2015 mid-year population estimates and Jenkins R et al. Debt, income and mental disorder in the general population, Psychological Medicine 2008; 38: 1485-1494.

<sup>5</sup> Financial Conduct Authority. Credit card market study: final findings report. MS14/6.3. July 2016.