



# MONEY AND MENTAL HEALTH PROBLEMS: BREAKING THE LINK

## A BEST PRACTICE CHECKLIST FOR CREDIT CARD PROVIDERS

People with mental health problems are three times more likely to be in financial difficulties than those without - and three times more likely to be behind on their credit card payments. Credit card providers have the power to dramatically improve the financial and emotional wellbeing of their customers by introducing new settings and processes that help customers with mental health problems to control their spending and access to new credit. Money and Mental Health, the leading centre of expertise on financial and mental health problems, calls on credit card providers to take the following nine steps:

### 1. Build understanding

One in four customers will experience a mental health problem in any year - half in a lifetime. This can change how customers interact with staff, and how they manage their money. So **all front line staff should have basic mental health awareness training, knowing what to look for and how to help. Specialist teams for vulnerable customers - especially in collections - need extra training. And if debts are sold on, or collection outsourced, credit card providers should only use companies whose staff have mental health training.**

### 2. Restrictive settings for cards

Most customers, most of the time, benefit from the convenience of card payments. But with contactless, card details saved at online checkouts, and phone payments, for some customers there is too little friction to check impulsive or harmful spending, which is closely associated with periods of poor mental health. **All credit cards should offer customers the right to: set a daily, weekly and monthly spending limit, turn the card off remotely, block payments online or with certain categories of merchants like gambling, and set a cash withdrawal limit.**

### 3. A trusted friend

Many people with mental health problems rely on a trusted friend or carer to help them with their finances. But without proper systems in place, they can put both parties at risk of abuse or harm. **Credit card providers should ensure equal customer service for carers operating through a Power of Attorney and also offer more options for customers with more informal relationships with their carer. Options should include read-only access to online card management, notifications to carers of problems like missed payments or sudden increases in spending, and the flexibility to impose more restrictive settings - like transaction size or payee - on second or third cardholders.**

### 4. Getting in touch

During periods of poor mental health, many people struggle with certain forms of communication. Some customers may want to talk over the phone, while others find this overwhelming, and prefer email or webchat. **Let your customers tell you how they prefer to be contacted and don't assume phone contact is possible when people are unwell. People with memory difficulties can also benefit from being sent a summary note of any phone calls with your customer services team.**

## 5. Emergency contact

During a mental health crisis - as in other emergencies - people may not be able to manage their money well, and may be hard for credit card providers to contact. It's time to **take a systematic approach to collecting customers' emergency contact details - and letting customers authorise their emergency contact to see their statements or make limited decisions in a crisis.** Some people may also want to authorise firms to talk to NHS or social care professionals.

## 6. Self-exclusion from further credit

When unwell, people sometimes make harmful decisions on impulse - like taking out new credit they can't afford, or extending existing credit limits. Customers should have the right to protect themselves from making financially damaging decisions while unwell. **All credit card providers should offer customers the right to opt out of marketing of credit and automatic extensions of credit limits.** People should also be able to ask their credit card provider to reject any applications they make for new credit or extensions to existing credit - with a trusted friend notified if that restriction is removed.

## 7. Warm referral

Customer-facing staff at banks and building societies will sometimes find themselves dealing with people facing financial or mental health crisis. For customers in these difficult circumstances it isn't often enough to tell them who else to call: once the phone is put down, it can be too late. If you want your customers to get help, **call centres need to be able to transfer customers directly to support services, from debt advisers to the Samaritans.**

## 8. Support informed decision-making

Many people with mental health problems apply for credit at times when - they later report - they may not have had the capacity to make the decision. Increasingly, credit applications, both for credit increases and new cards, are moving online, where standard ways of assessing a customer's capacity through direct conversation aren't possible. **Credit card providers should explore ways to use data to identify customers who may have a capacity limitation - and provide a range of tools to ensure these customers get support to make an informed decision.**

## 9. Research into and notifications following risky behaviour

Financial institutions have invested millions in research to understand how to spot fraud in transaction data. We urge all credit card providers to **invest in research to spot unusual - and damaging - behaviour that isn't fraud, in particular patterns of behaviour that predate serious financial problems.** Better understanding will enable firms to get customers tailored help, be that notifications to themselves or trusted friends, to stop them slipping into unrecoverable debt.

Money and Mental Health is keen to celebrate firms adopting these ideas, as well as to work with firms to tailor our recommendations to each corporate environment. We work with thousands of consumers with experience of mental health problems whose input on service and product design can be invaluable. To work with us, or tell us how you've implemented our ideas, email [contact@moneyandmentalhealth.org](mailto:contact@moneyandmentalhealth.org).