



Minimum standards for mental health

Introduction

One in four adults in the UK experiences a mental health problem each year¹ - and half will over a lifetime.² Mental health problems can affect our cognitive and psychological functioning, including:

- **Reduced short term memory**
- Increased **impulsivity**
- **Social anxiety** and communication phobias
- **Low motivation** and depleted energy
- **Reduced problem solving** and planning abilities.³

This can make choosing, using and paying for essential services much harder. Research by Citizen's Advice indicates that as a consequence of these challenges, people experiencing mental health problems pay between £1,100 and £1,550 more a year for essential services.⁴ These increased costs, combined with low and precarious incomes⁵ and difficulty with financial management, mean that people experiencing mental health problems are three and a half times as likely to be in arrears on essential services bills.⁶

The Money and Mental Health Policy Institute welcomed the government's recognition of the additional challenges people with mental health problems face in essential services markets within their 2018 Consumer Markets Green Paper.

The paper acknowledged the detriment this creates, and took up our recommendation to set minimum standards across sectors.⁷ In this policy note, we set out our arguments about why minimum standards are the right intervention, and how they should be designed.

The challenges for people with mental health problems in essential services markets

Mental health problems can have wide-ranging effects on our cognitive and psychological abilities, and symptoms can vary substantially between individuals, even with the same condition. Nevertheless, the following issues are commonly reported:

Difficulties getting the right support

Many people experiencing mental health problems never tell their essential services providers about their illness - sometimes because they are worried about stigma or discrimination; sometimes because they don't know any extra help is available; or sometimes because they have had a poor experience when disclosing to a provider in the past.⁸ This leaves people trying to continue to manage alone, and raises the risk of financial difficulties and mental health consequences.

Often people experiencing mental health problems seek help with essential services management from family and friends. A lack of flexibility in current systems, however, means that to do this they often have to use risky workarounds, such as sharing online login details, putting both carers and the people they are helping at risk.⁹

"I am frequently told to give a power of attorney to a relative to make it easier for the bank. I have capacity and agency but once anxiety kicks in I cannot recall even basic information."

Although some people with mental health problems should be offered reasonable adjustments under the Equality Act 2010 to help overcome these additional

needs, in practice a lack of understanding about what would constitute a reasonable adjustment for a mental health problem means providers often fail to meet this obligation.

Difficulties communicating with essential services providers

Three quarters (75%) of consumers who have experienced mental health problems have serious difficulties engaging with at least one commonly used communication channel. For example, more than half (54%) of people experiencing a mental health problem struggle to use the telephone.¹⁰

"I find it extremely difficult to hold a conversation on the telephone and retain enough information to make a good judgement."

When consumers are unable to get in touch with providers, important messages about service disruption and billing might not get through, and people may struggle to get help with problems in a timely way. This, in turn, can cause further distress, and can have serious financial and health consequences.

Difficulties understanding what actions to take and how to engage with the market

Messages from essential services firms are often complicated, with complex pricing structures, lengthy terms and conditions and detailed information about options. People experiencing mental health problems, which can affect concentration, ability to process information and memory, can be particularly disadvantaged by these messages.

"I've felt overwhelmed, exhausted and unable to wade through endless pages of information and especially when it comes to things like terms and conditions or in the case of utilities the charges for units of energy etc."

It is distressing for people to receive information that they are unable to understand, or that takes a disproportionate amount of time to process. As a result people may struggle to pay bills on time, to switch to the best deal offered by their provider, and to navigate the wider market - and often pay more than is necessary.

Arrears and problem debt

In addition to low or fluctuating incomes, memory problems and challenges with planning and problem solving can make it harder for people to keep on top

of bills. People experiencing mental health problems are three and a half times as likely to be in arrears.¹¹

Half of people in problem debt will also be experiencing a mental health problem,¹² which can make it harder to understand arrears notices, to ask for help in person or over the phone, and to locate and access free debt advice.

Some companies will signpost customers to this support, but often this message doesn't get through to consumers - whose debt then continues to increase, causing significant distress and serious hardship. Collections and enforcement activity can lead to serious psychological distress, with frequent phone calls and letters sometimes leaving people feeling trapped and with no way out.

The consequences

At worst, these difficulties accessing and managing essential services can cause serious distress to people experiencing mental health problems, with some people reporting panic attacks or suicidal thoughts. Four in ten people who have experienced mental health problems (37%) report symptoms of anxiety when dealing with essential services which are so severe they may represent a clinical phobia.¹³

"I've had panic attacks and less often suicidal ideation due to the stress of trying to deal with these companies. I've felt very low when I ask for help and they don't seem to want to help me."

Where people fall into problem debt on essential services, this can have serious psychological repercussions. Each year, 13% of people in problem debt think about suicide, and three in every hundred people in problem debt attempt to take their own life. Across England, this adds up to 100,000 people a year.¹⁴

The specific challenges of supporting consumers experiencing mental health problems

Most consumers don't necessarily want to tell essential services providers about the intimate details of their lives, so it is understandable that providers can face challenges in identifying customers in vulnerable situations. Identifying consumers with mental health problems, however, poses particular difficulties.

Firstly, although we're getting better at talking about mental health problems, serious stigma and fear of discrimination remain. This, combined with practical

challenges getting in touch with firms and a lack of awareness about the potential benefits of disclosure, means that the majority of consumers experiencing mental health problems do not tell their essential services providers about their needs.¹⁵

Firms can and should do more, with regulatory support, to encourage disclosure and ensure that people who do tell firms about their circumstances receive extra help as a result. However, this approach will never be enough to bridge the gap in market outcomes between people with and without mental health problems. Some people may never want to share this personal information with an essential service provider, and others will not be aware that they are experiencing a mental health problem at all; over a third (36%) of people experiencing a mental health problem have never been diagnosed.¹⁶

In addition to offering practical support to customers who do disclose mental health problems, government and regulators need to ensure that essential services are accessible to this sizeable group of consumers and minimise harm, without the need for disclosure. This will mean considering how mental health problems could make day-to-day engagement with essential services much harder, and taking steps to reduce or remove the barriers.

Making services accessible to those experiencing the cognitive and psychological challenges associated with mental health problems will also improve the service offered to those who are time-poor, experiencing other life challenges, or with other illnesses and disabilities and could improve outcomes across the whole market.

Why regulatory minimum standards?

Improving essential services for people experiencing mental health problems and other cognitive disabilities requires both a shift in approach to vulnerability, and some investment on improving services on the part of firms. In some cases, competition between providers will help to improve practice across industries. However, while Money and Mental Health is committed to working with firms to explore and embed best practice,¹⁷ there are some areas where:

- The detriment caused by failing to improve the service offered towards consumers with mental health problems and other cognitive

disabilities across the market, including among customers of firms who will not voluntarily engage with best practice, is too substantial to be allowed to persist

- Change will require a substantial investment on the part of firms, which they may be unwilling to make without knowing competitors must do the same, or without regulatory compulsion
- Consistency in standards across markets would improve consumer outcomes.

In these cases, regulatory intervention through minimum standards could help prevent the most egregious examples of consumer harm.

In some cases, these standards will overlap with existing regulations. However, at present, a lack of consistency of standards across essential services markets is causing confusion among people with mental health problems - and, at worse, poor treatment in one market can discourage a person from seeking support from the providers of other essential services.

An Equality Act duty

The introduction of minimum standards for mental health across regulated essential services markets should also help providers to understand and meet their duties under the Equality Act 2010. Introducing these standards could also help regulators meet their public sector equality duties under the Act.

People experiencing mental health problems which are expected to last 12 months or longer and are protected under the Equality Act, just like people with physical and sensory disabilities. As such, firms are required to offer reasonable adjustments where a person's health condition places them at a significant disadvantage to other customers.

In practice, however, firms' limited understanding of mental health means that these adjustments are rarely offered in an appropriate way. For example, we would commonly expect a person with hearing loss to be offered the ability to contact a firm by textphone, or using another alternative to the telephone which is more accessible to them. By contrast, many firms do not offer an alternative to the telephone if a customer with a mental health problem needs to get in touch.

Some regulators already include specific requirements setting out what sorts of adjustments providers may be expected to make for people with certain disabilities - for example that people with visual impairments must be offered letters in large print or braille.¹⁸ Other regulators set out more general expectations that information will be provided in an accessible format, which are not adequately meeting the needs of people with mental health problems.

The introduction of a set of minimum regulatory standards for mental health will build collective understanding of the support that customers with mental health problems may need at speed, helping society reach parity of esteem in the treatment of mental and physical health problems and tackling a substantial injustice.

Standards or principles?

Some regulators, in recent years, have moved away from rules-based regulation which specifies exactly what firms must do to comply, towards principles-based regulation, which specifies intended outcomes but gives firms some flexibility about how they achieve the objective. This is not incompatible with the idea of minimum standards.

The language of 'minimum standards' provides clarity that consumers should always be able to expect a certain level of service and support, but also provides space for aspiration towards a higher standard and flexibility about how the standards could be met.

A comprehensive approach

In complex, competitive markets made up of both large and small suppliers, and with significant variation in service quality, a multilateral approach combining regulatory standards and competitive pressure towards best practice is entirely appropriate. Principles-based minimum standards can provide a consistent safeguard, protecting people in vulnerable circumstances from harm, particularly where new firms with less developed customer care structures and processes are entering increasingly competitive markets. They can also drive rapid change across industries where providers are not meeting their obligations towards people with mental health problems.

In addition, promoting best practice can push those firms with greater ambition, more resources or

experience to go much further, creating a competitive 'race to the top' and preventing the 'minimum' standards from becoming an acceptable goal. Regulators and government should support this innovation and best practice as well as developing the required minimum standards as safeguards.

Possible areas for Minimum Standards

The following suggested areas for minimum standards for mental health derive from our research, particularly the lived experiences of the 5,000 people in the Money and Mental Health Research Community. We have also engaged extensively with firms to understand the challenges they face in attempting to offer better support to customers with mental health problems, and the areas where they would appreciate regulatory clarification. This leads us to suggest that the minimum standards should address three issues:

Offering appropriate support when customers disclose a mental health problem. When a customer discloses a mental health problem, regulated firms must have processes, policies and support structures in place to respond appropriately, and offer reasonable adjustments to customers who need them. Standards should include:

- Ensuring appropriate systems and processes are in place for responding to and recording information about vulnerabilities, including access to priority or additional support services
- Consistently offering accessibility adjustments for mental health in line with Equality Act 2010 adjustments for other disabilities, including:
 - Alternative communication channels
 - Information provided in alternative formats (e.g. easy read)
 - Facilitating third-party engagement when this supports informed decision making, through inclusion in phone calls (with customer consent), the ability to receive copies of bills or statements, and view only access to online customer services.
 - Reminders of important communications and bills sent through a secondary communication channel where the client's contact details are known

- Advertising the availability of specialist support for people experiencing difficulties so that there is a clear reason why someone might choose to disclose.

Ensuring services are accessible to people with mental health problems, whether they disclose or not.

With only a small minority of those with mental health problems sharing that information with service providers, an essential services market which only works for those who can ask for help does not really work at all. As a condition of licensing, firms must be compelled to offer services which are accessible to the people who rely on them every day. In practice, that means that people can send and receive communications, and act upon them. Standards should include:

- Key functions should be accessible by more than one communication channel
- Customers should be reminded of key information from conversations which take place verbally or online
- Communications to customers should contain clear action points, especially bills and notifications of arrears or extra support services
- Communications should draw the customer's attention to the most important information.

Protecting people in problem debt, to prevent psychological harm. Half of people in problem debt are also experiencing a mental health problem. Regulators must ensure that people who fall behind on essential services bills are treated fairly, and that collections practices do not cause unnecessary

psychological distress which can raise the risk of suicide.¹⁹ Standards should include:

- Signposting all customers in problem debt to free debt advice through bills and arrears notifications
- Offering a warm referral (e.g. ability to book an appointment) with free debt advice
- Use only regulated collections and enforcement firms, or those who comply with similar industry standards.

Making the standards stick

Crucially, in addition to setting out new minimum standards for mental health, regulators should also ensure that firms are monitoring and reporting on their achievements in this space. Measures of progress should be carefully designed to ensure they incentivise true changes in behaviour and the provision of additional support to customers in need, not just the identification of vulnerable customers (as is the case, to an extent, with the existing Priority Service Register provision in energy markets).²⁰ This could be done through thoughtful reporting, potentially alongside the performance scorecards being developed in response to the Consumer Green Paper.

With several regulators, including the Financial Conduct Authority, Ofgem and Ofcom currently in the process of updating their guidance around vulnerability, the government has a perfect opportunity to push mental health higher up the regulatory agenda, and improve outcomes for 12 million consumers each year.

Endnotes

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