

Money and Mental Health submission to the BEIS Committee's inquiry on coronavirus and the impact on people with protected characteristics

Introduction

The Money and Mental Health Policy Institute is a research charity, established in 2016 by Martin Lewis to break the link between financial difficulty and mental health problems. The Institute's research and policy work is informed by our Research Community, a group of 5,000 people with lived experience of mental health problems or of caring for someone who does. This written submission has been informed by this powerful, lived experience testimony, as well as our wider body of research. Unless otherwise specified, all quotes in this response are drawn directly from our Research Community. In particular it draws upon a survey of 568 Research Community members, conducted 20-30 March specifically on the impacts of coronavirus.

Background

- In any given year, one in four people will experience a mental health problem.¹ However, we do not always know when we are unwell, or receive treatment. Over a third (36%) of people with a common mental disorder have never received a diagnosis, and 62% are not currently receiving treatment.² The coronavirus crisis is exacerbating these difficulties, putting pressure on the nation's mental health and isolating many from support networks and services that they rely on to stay well.
- Common symptoms of mental health problems, like low motivation, unreliable memory, limited concentration and reduced planning and problem-solving abilities, can make managing money significantly harder.³
- People with mental health problems are more likely to be living on low incomes or in insecure work,⁴ which can mean they have less savings to fall back on when their income falls.
- People with mental health problems are three and a half times more likely to be in problem debt as those without, and half (46%) of adults in problem debt also have a mental health problem.⁵

¹ McManus S et al. Adult psychiatric morbidity in England, 2007. Results of a household survey. NHS Information Centre for Health and Social Care. 2009.

² McManus S et al. Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey 2014. NHS Digital. 2016.

³ Holkar M. Seeing through the fog: How mental health problems affect financial capability. Money and Mental Health Policy Institute. 2017.

⁴ The Mental Health Taskforce. The Five Year Forward View for Mental Health. 2016.

⁵ Ibid.

- Mental health and financial problems can form a devastating, self-reinforcing cycle. Over 420,000 people in problem debt consider taking their own life in England each year, and more than 100,000 people in debt actually attempt suicide.⁶

In our response to Question 1, we set out how members of our Research Community have been affected by coronavirus and the issues which are most worrying them. In our response to Question 2, we focus on how experiencing a mental health problem can make those concerns more acute or more difficult to get support with.

Q1. How people have been affected by the illness or the response to it

Accessing support

Many of the 568 respondents to our survey noted the toll the spread of coronavirus had already taken on their mental health. For some, this was through increased anxiety about their health or that of their friends and families. This made it harder to carry out essential tasks like buying food:

“My anxiety has been through the roof, I've been having panic attacks. I'm still going out to the shops but have developed a fear of contamination that makes it very anxiety inducing. I was having counselling but that has been stopped, which is a blow, especially at a time when my mental health is suffering so badly.”

Support systems, whether they are family and friends or mental health services, can be invaluable in helping people to cope with such circumstances. But with social distancing measures in place, the two thirds (65%) of survey respondents who agreed or strongly agreed that they rely on face-to-face contact with friends and family may be missing that assistance.⁷ For those using health services, the help many depend on to manage their condition may be impossible to access, or delivered in a less effective way.

As Figure 1 shows, this was among the strongest concerns raised by survey respondents; 86% agreed or strongly agreed that as a result of coronavirus they were worried about struggling to access mental health services if they needed them.⁸ Phone and online-based contact will fill a gap for some. But for many others, including those without a clinical diagnosis of a mental health condition, the necessary restrictions in response to coronavirus will unavoidably be difficult to cope with.

Job worries

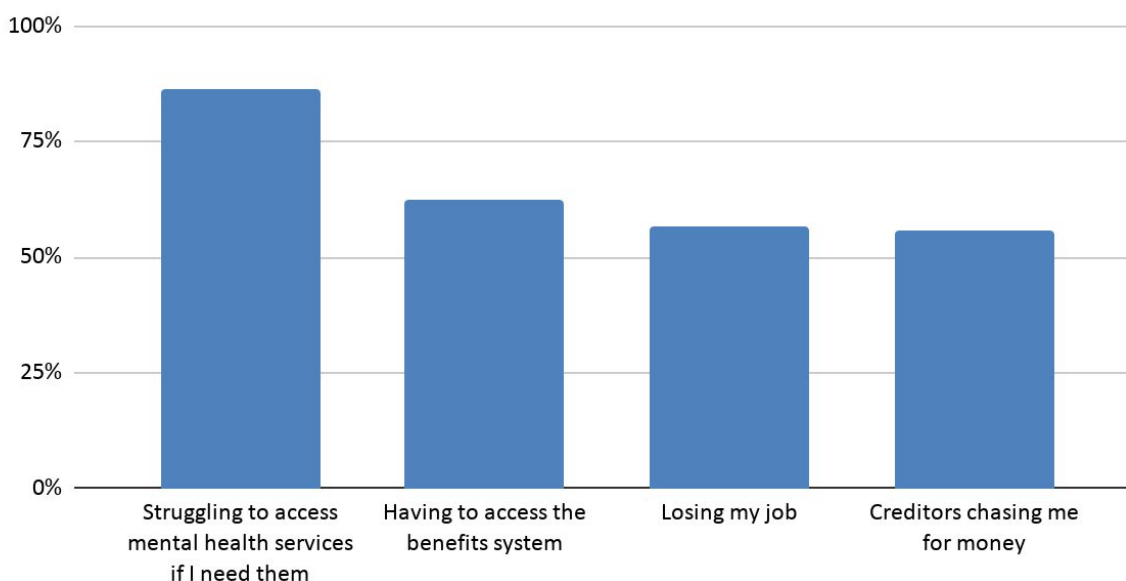
⁶ Bond N and Holkar M. A silent killer: Breaking the link between financial difficulty and suicide. Money and Mental Health Policy Institute. 2018.

⁷ Money and Mental Health survey of 568 people with lived experience of mental health problems. Relevant base for this item: 389 people.

⁸ Money and Mental Health survey of 568 people with lived experience of mental health problems. Relevant base for this item: 383 people.

The impact on people’s mental health has in some cases intertwined with the crisis’s effect on the labour market. The government has acted swiftly to try to protect jobs and incomes. Despite these moves, respondents to our survey expressed mixed opinions on the government’s actions to date. Job security was a particular concern. While some reported feeling “safer” financially as a result of the Coronavirus Job Retention Scheme, 57% agreed or strongly agreed they were worried about losing their job due to the impact of the response,⁹ and fewer than one in three (29%) respondents agreed or strongly agreed that it was easy for them to work from home.¹⁰

Figure 1: Respondents’ coronavirus concerns
% of respondents who agree/strongly agree they are worried about...



Source: Money and Mental Health survey of 568 people with lived experience of mental health problems. Base for each question respectively: 383, 325, 160, 294.

A group with a separate set of problems is the self-employed. While the Self-Employment Income Support Scheme will cover many, though not all, of the self-employed, the period until the first payments through this scheme arrive may lead to financial hardship for some. Self-employed respondents understandably worried about what the coming weeks and months would mean for their finances, and the resulting detriment to their mental health:

“My income has ceased, I expect this to be the case for some months. I am extremely worried about my mortgage, utilities, loans etc and don't know what to do about it. It seems to me that I fall into a crack in the Chancellor’s rescue package. I feel really frightened.”

⁹ Money and Mental Health survey of 568 people with lived experience of mental health problems. Relevant base for this item: 160 people.

¹⁰ Money and Mental Health survey of 568 people with lived experience of mental health problems. Relevant base for this item: 180 people.

Bills and creditor behaviour

For those now facing a spell with a lower income, their ability to keep up with bills is likely to be a major source of worry. Many respondents to our survey shared their concern that their financial situation would deteriorate as a result of the response to coronavirus. For some, this worsening would come on top of existing problems with debt. Two in five (42%) of our survey respondents agreed or strongly agreed that they already struggle to keep up with debt repayments. 56% of our survey respondents agreed or strongly agreed that they were worried about creditors chasing them for money, with some respondents flagging examples of recent bad practice:

“I’m being chased by credit card holders, when currently all my finances are concentrated to get me through this extremely tough time.”

Creditor behaviour will be a vital factor in how people feel in the coming months. Essential services firms - those in the regulated industries of energy, financial services, telecoms and water - have a particular responsibility at this moment. The assurances given by energy companies that customers, including those using prepayment meters, are protected are therefore welcome. Similarly, the temporary measures introduced by the FCA to ease the financial burden on people using common consumer credit products will also be valuable to those struggling to keep up with repayments..

Across the issues raised by respondents, a common thread was the need for clearer information. Despite the government’s bold promises, at an individual level people continue to face significant uncertainty over their entitlements in work, what their employers could and couldn’t do, and what would happen after weeks or months of the current restrictions on business operations being in place. Without greater clarity on what is being provided and how to access it, the colossal support set aside by the government may not reach those it is intended to assist through these challenging times.

Q2. If there have been specific impacts on people due to them having a protected characteristic

Employment

The needs of people experiencing a mental health problem may mean that they are more exposed to some of the negative impacts of the crisis. Being laid off is one of the most severe economic impacts people are currently facing. Among those we surveyed, some felt that their mental health had been one of the factors considered by their employer and used against them:

“I have been told that I will lose my job. I have been on reasonable adjustments within my organisation, while recovering from depression. The role I am doing is to be discontinued

because the company has decided it can no longer ‘carry’ people. I am devastated at the actions of my employer of 15 years.”

The flexibility offered by self-employment and zero hours contracts can make these roles attractive to people trying to balance work with their mental health. But with workers in these categories having lower-than-average earnings, this may particularly expose people with mental health problems to the gaps in support offered by government. The low level at which Statutory Sick Pay is set, and the ineligibility of 2 million low-earners for the payment could leave people with mental health problems facing hardship. For self-employed people experiencing difficulties with their memory, concentration or problem-solving abilities as a result of their mental health, a requirement to fill in complex forms to access the Self-Employment Income Support Scheme may see some miss out.

To limit the impact of the crisis on people with mental health problems, the government should:

- Protect low-paid employees from income shocks due to illness by extending Statutory Sick Pay to the lowest earners and increasing its generosity
- Minimise the information required from the self-employed in order to access the Self-Employment Income Support Scheme, recognising the difficulties many will face in engaging with complex processes while under pressure
- Improve and promote guidance on the rights of employees and the self-employed to help ensure the promised support reaches those who need it.

Essential services, including energy providers

Previous Money and Mental Health research found three-quarters of participants who had experienced mental health problems who have serious difficulties engaging with at least one essential services commonly used communication channel. For some, using the telephone is practically impossible, while others may experience psychotic symptoms which make them distrustful of the internet.¹¹ Once people fall into financial difficulties, these can cause or aggravate mental health problems, and make it harder to ask for help.

“I find making phone calls extremely stressful, when my mental health is at its best, but impossible when my depression gets worse.” Expert by experience

Under the Equality Act, firms are required to make reasonable adjustments to ensure people can use their services. The impact of the crisis may mean more people are experiencing mental health problems and in need of adjustments. But with stigma around mental health problems, and many of those experiencing mental health problems unaware their symptoms amount to a condition, this means firms cannot rely on customers to disclose their mental health problems.

¹¹ Holkar M, Evans K and Langston K. Access essentials. Money and Mental Health Policy Institute. 2018.

As a result, firms need to take a universal approach to improve accessibility, offering support and access options to all customers rather than only those identified as vulnerable. To help firms achieve this and support all their customers in difficult times, Money and Mental Health has published a set of eight Urgent Covid-19 Customer Support Standards.¹²

The standards provide practical steps that firms can take, including:

- Proactively offering forbearance and ensuring people are not disconnected from essential services
- Creating a Covid-19 support page on their website, including key contact numbers and information
- Writing to customers to let them know what support is available, making communications easy to understand, with clear next steps.

While the Standards should prove useful for a wide variety of customers coping with the current environment, they are particularly relevant for people experiencing mental health problems. Recognising these difficulties, and putting in place measures that will make it easier for customers to make contact, understand their options and manage their finances would be a major step forward.

To limit the impact of the crisis on people with mental health problems:

Essential services firms should:

- Adopt the Customer Support Standards to support the growing number of customers in distress.

The relevant regulators should:

- Monitor the communications and actions of essential service firms, assessing how arrears are dealt with and the information provided to customers on their accounts
- Ensure no customers are disconnected by providers during the response to the coronavirus
- Set out expectations for how firms should support customers who fall into financial difficulty as a result of coronavirus.

¹² <https://www.moneyandmentalhealth.org/covid19standards/>