MONEY AND MENTAL HEALTH
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NOT A SECONDARY ISSUE

Preventing and resolving financial difficulties for people in secondary mental health care

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Contents

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PRIORITIES

Introduction

Primary care services, such as a GP, are often the first port of call for people experiencing mental health problems. But for people who are acutely unwell – experiencing a mental health crisis or living with a severe mental illness (SMI) – care and treatment is often provided through secondary mental health services, such as Community Mental Health Teams or psychiatric hospitals. In England, 2.1 million adults were in contact with secondary mental health services in 2019-20.[1]

While these services can have a hugely positive impact on people's health, most do not address the deep and often toxic links between our money and our mental health. Money and Mental Health's previous research has demonstrated how the cognitive and psychological effects of mental health problems can limit our capacity to manage our finances and disrupt our ability to attend work and maintain benefit claims.[2]

> "My mental health was so bad I didn't care. I didn't have the interest or motivation to worry about money or paying bills. The more I didn't care, the bigger the problems became and the more depressed I became. And that was when I made my most serious attempt at ending my life. I couldn't see any way out of the mess I was in."
>
> *Expert by experience*

These challenges can result in financial difficulties and hinder recovery.[3] Table 1 sets out some of the practical challenges people experiencing acute mental health problems can face.

Table 1: Changes in financial capability and behaviour during an acute episode of mental ill-health

Reduced financial capability	Difficulties understanding and retaining information
	Reduced concentration and clarity of thought
	Altered perceptions mean people can act on impulse or do not exercise the same reasoning and judgement as when they are well
Changes in financial behaviours	Lacking motivation and disengaging with managing finances
	Increased spending and borrowing
	Spending or giving away funds due to feelings of nihilism, where people do not see a future for themselves and therefore no need for money

1. NHS Digital. Mental Health Bulletin 2019-20 Annual report. (Accessed: 09/02/22) https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-bulletin/2019-20-annual-report. Includes number of people in contact with NHS funded secondary mental health, learning disability and autism services.
2. Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018.
3. Ibid.

For some of us, the consequences can be devastating: 100,000 people in problem debt attempt suicide each year,[4] and more than two in five (44%) people with mental health problems who had fallen behind on bills during the pandemic either considered or attempted taking their own life.[5]

Improving support to people receiving secondary mental health care and embedding an understanding of the vital role that financial matters can play offers a huge opportunity, both to prevent and resolve money problems.

Key terms

- **Severe mental illness (SMI)**
  People who have received a diagnosis of a severe and enduring mental illness that impacts on their daily life, such as schizophrenia, bipolar, personality disorder[6] or psychosis.
- **Secondary mental health care**
  Covers general community and hospital mental health care and treatment. Care can be either long or short term, and may encompass crisis treatment, and longer-term recovery and rehabilitation services.
- **Community Mental Health Team (CMHTs)**
  Supports people with mental health problems and their carers living in the community, rather than in an inpatient setting. A multi-disciplinary team which may include: community psychiatric nurses, psychologists, occupational therapists, counsellors, community support workers and social workers.
- **Health care professionals (HCPs)**
  All professionals supporting people in secondary mental health services, including: Social Workers, Mental Health Nurses, Occupational Therapists, Health Care Assistants and Psychologists.
- **Mental Health Breathing Space (MHBS)**
  Legislation that provides people receiving mental health crisis care respite from debt collection activity and escalating charges.

4. Bond, N and Holkar, M. A Silent Killer. Money and Mental Health Policy Institute. 2018.
5. Bond. N and D'Arcy, C. The State We're In. Money and Mental Health Policy Institute. 2021.
6. We recognise there is a great deal of controversy around the diagnosis of personality disorders and the language used to describe them is particularly contested. Many people reject the label, and prefer terms such as Complex PTSD or trauma response. Personality disorders as currently defined can be severe and enduring in the impact they have on a person's life and as such have been included.

The case for intervening now

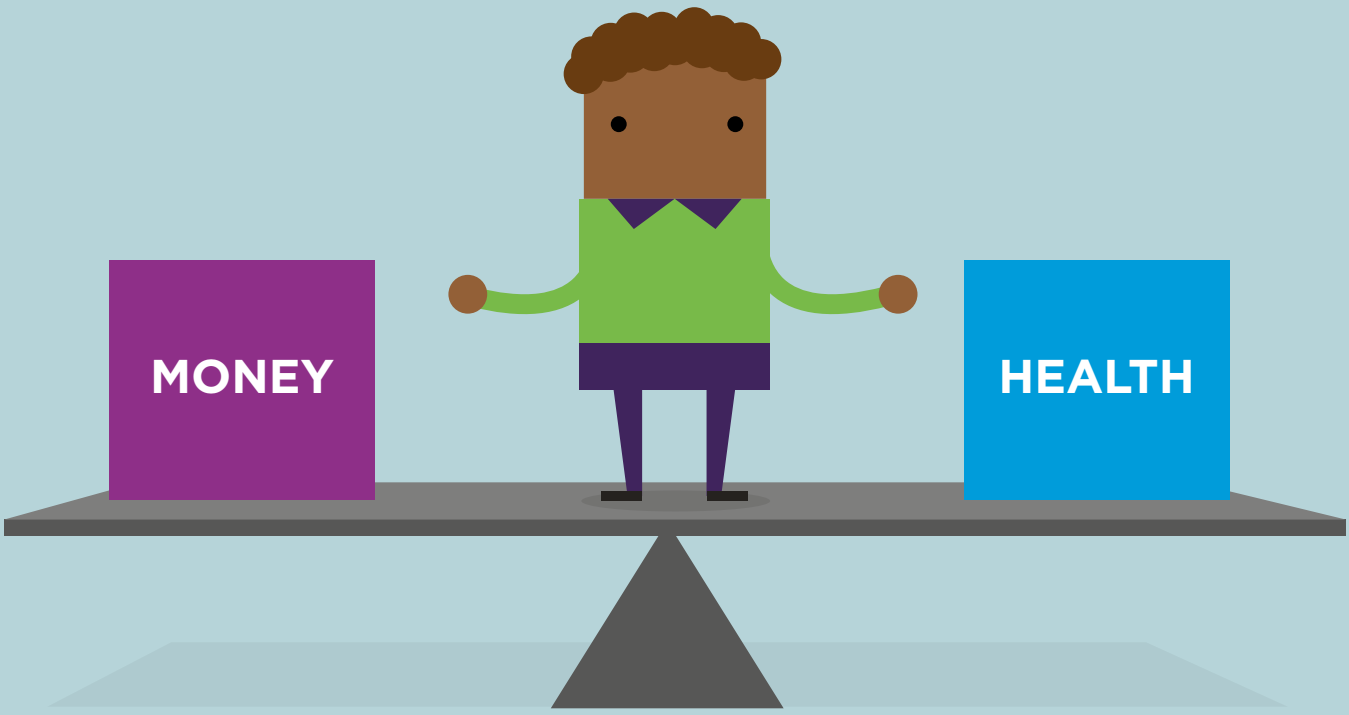
The intertwined issues of money and mental health are more important now than ever. The cost of living crisis is impacting many people's lives with the prices of essentials, such as energy and food, soaring.[7] This comes while the financial hardship caused by the pandemic still lingers for many people, with employment rates yet to return to pre-pandemic levels.[8] These factors, coupled with rising rates of people in contact with secondary mental health services,[9] mean that addressing the financial needs of people who are acutely unwell is vital. These are not new issues, however. Many people with mental health problems were already living financially precarious lives, prior to the pandemic and the cost of living crisis,[10] with people with SMI often being hardest hit.[11]

Government policy has begun to consider the link between economic factors and mental health problems in the last few years. Through the Mental Health Breathing Space (MHBS) – a debt respite scheme for people receiving mental health crisis treatment – the government has taken steps to resolve financial difficulties for people in crisis.[12] Alongside this, the NHS Long Term Plan set the direction for the health service for the next decade. The plan committed to addressing the 65% employment gap for people in contact with secondary mental health services through the expansion of the Individual Placement and Support scheme (IPS), a programme which supports people with SMI to secure stable incomes.[13]

The ongoing reform of the Mental Health Act – a key but outdated piece of legislation that shapes much of what happens to people receiving secondary mental health care – provides an opportune moment to ensure the financial needs of people who are acutely unwell are embedded in practice.[14] But the findings we outline below suggest that these steps are not enough to break this toxic link.

To help policymakers understand how best to support people under the care of secondary mental health services, we surveyed almost 200 members of the Money and Mental Health Research Community, a group of thousands of people with lived experience of mental health problems. The survey, carried out between 17 December 2021 and 11 January 2022, explored the experiences of people who have received care from secondary mental health services, how their finances fared while receiving that and the help they received or would have benefitted from. Alongside this, we draw on findings from a landmark survey of 5,000 people with experience of mental health problems, conducted in Summer 2021,[15] and interviews with experts in the field. Through our analysis of this information, we present a suite of recommendations to improve support for people in secondary mental health services to both prevent and resolve financial problems.

7. Francis-Devine, B. Harari, D. Keep, M. and Bolton, P. Rising Cost of Living in the UK. House of Commons Library. 2022.
8. House of Commons Library. Rising Cost of Living in the UK. 2022.
9. NHS Digital. Mental Health Bulletin 2019-20 Annual report. (Accessed: 09/02/22) https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-bulletin/2019-20-annual-report. Comparison between 2017-18 and 2019-20 data.
10. Bond, N and D'Arcy, C. The State We're In. Money and Mental Health Policy Institute. 2021.
11. Ibid.
12. The Insolvency Service. Guidance: Debt Respite Scheme (Breathing Space) guidance for creditors. 2022.
13. NHS. The NHS Long Term Plan. 2019.
14. Department of Health and Social Care. Reforming the Mental Health Act. 2021.
15. Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018.


MONEY
HEALTH

Part one: The financial experiences of people in receipt of secondary mental health care

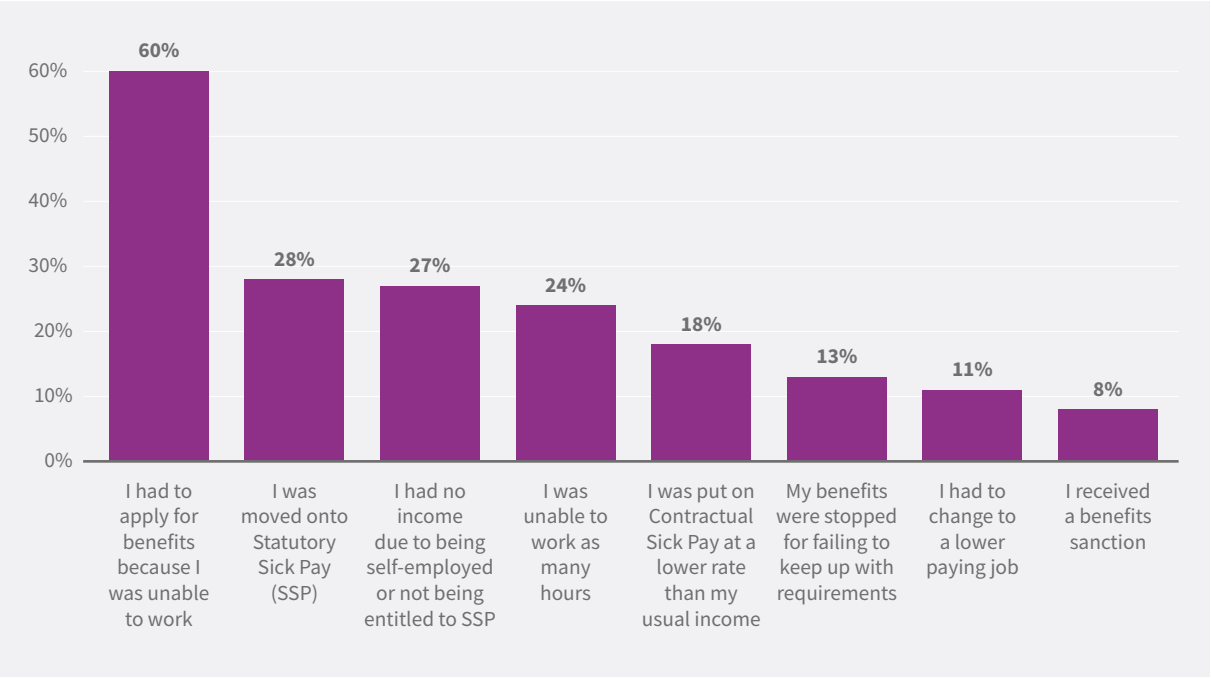
There is a strong negative correlation between poor mental health and income. The average annual income for a person with an SMI is just 75% that of people without an SMI, an annual difference of £6,500.[16] Our research for this paper sought to explore how the experience of receiving care and treatment through secondary services can feed into this pattern. Against the backdrop of these already lower average incomes, seven in ten (68%) survey respondents experienced an income drop whilst receiving support from secondary mental health services.[17]

An income drop can be detrimental at any time, but for people who are acutely unwell, it comes when their capability is compromised.

1.1 Experiencing an income drop while receiving secondary mental health care is commonplace

For the majority of respondents (60%), their income fell because they could not work while acutely unwell and had to apply for benefits, as Figure 1 shows.

Figure 1: Reasons people's income dropped while receiving treatment and support from secondary mental health services



Source: Money and Mental Health survey. Base for this question: 97 people whose incomes dropped while receiving treatment from secondary mental health services, the question was multiple choice to capture the numerous ways people's incomes had fallen.

16. Bond, N. and D'Arcy, C. Mind the Income Gap. Money and Mental Health Policy Institute. 2020.
17. Money and Mental Health survey of 191 people. Base for this question: 173.

Just under three in ten (28%) respondents said their income was reduced by being moved to Statutory Sick Pay (SSP), while a similar proportion (27%) of respondents did not have any income coming in at all, due to being self-employed or because they were not entitled to SSP.[18]

For those whose sole source of income when they first began receiving secondary mental healthcare was benefits, people told us how it was harder to manage benefit claims. Some people faced benefit sanctions due to not keeping up with requirements and, for a small number of respondents, their benefits stopped completely.

> "I got into the Employment and Support Allowance [ESA] group on benefits, but they never took into account my severe depression, so I was sanctioned repeatedly for forgetting appointments, being too ill to go, and turning up five minutes late, etc. I've had my benefits stopped numerous times, which left me unable to pay my rent, bills, and buy food for my children…My physical health has suffered immensely, as has my mental health."
>
> *Expert by experience*

For many, the scale of these income reductions are huge. As an illustrative example, for someone receiving the average wage of £588 per week[19] a reduction in income to the 13 week assessment rate for ESA at £74.70 per week[20] represents a weekly income drop of £513. For those whose incomes were reduced to SSP – paid at just £96.35 per week[21] – this still represents a weekly income drop of £491. While the hits faced by many will be smaller than this, as we know that people with mental health problems have lower average incomes to begin with, managing such potentially large income drops when acutely unwell can be impossible.

> "The financial impact [of mental health crisis] hit me and my family hard. I went from £30/hr to under £100 a week."
>
> *Expert by experience*

A minority of respondents (32%) told us that they did not experience an income drop while receiving care from secondary mental health services, for example, if they were retired or, more rarely, if their benefits remained unchanged.[22] Despite protections to their incomes, this did not always equate to avoiding financial harm. Reduced financial capability and changes in financial behaviour meant that even people who didn't face an income drop did experience financial harm due to difficulties budgeting and increased spending.

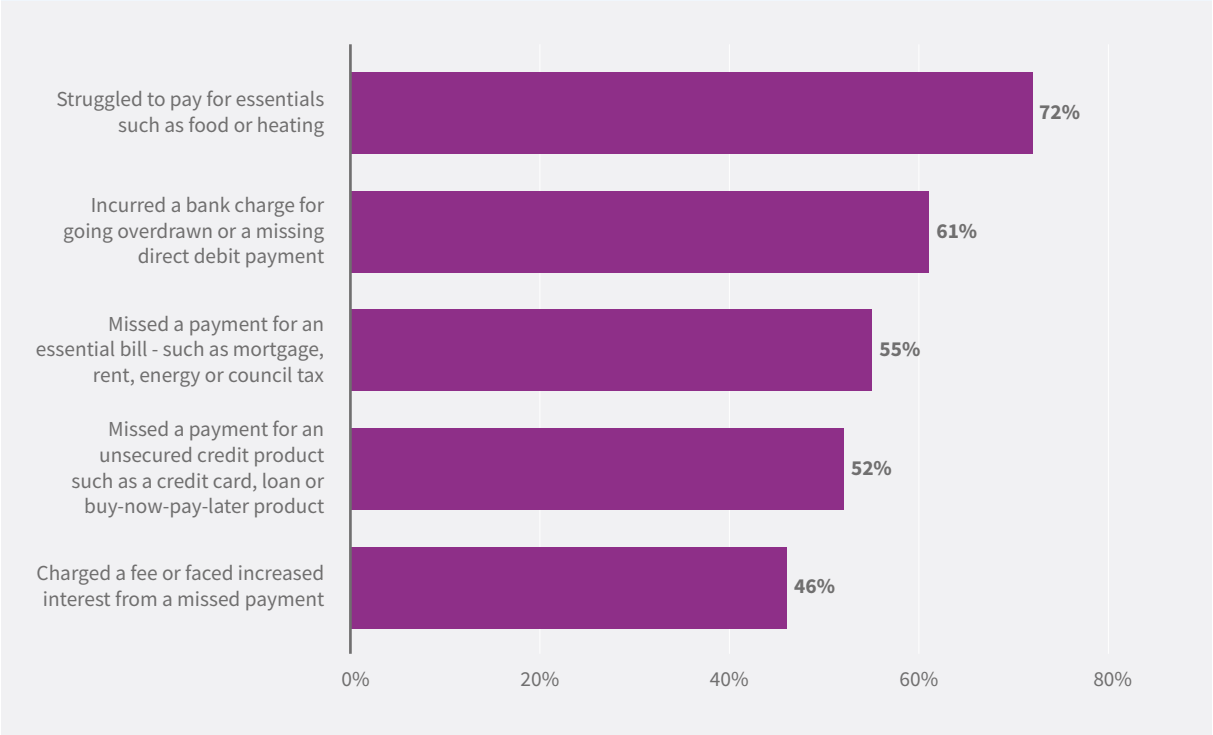
18. Money and Mental Health survey of 191 people. Base for this question: 117.
19. ONS. Average weekly earnings in Great Britain: January 2022.
20. Department for Work and Pensions. Benefit and pension rates 2021 to 2022. 2021.
21. Money and Mental Health survey of 191 people. Base for this question: 117.
22. Money and Mental Health survey of 191 people. Base for this question: 173.

1.2 Keeping up with bills while acutely unwell is impossible for many people in secondary mental healthcare

Income reductions combined with the cognitive impact of mental health problems mean that people face a diverse and pressing range of financial problems. More than eight in ten respondents (86%) experienced financial harm when they were under the care of secondary mental health services.[23]

Figure 2 shows the range of financial harms that people experienced. Seven in ten (72%) respondents said they struggled to pay for essentials such as food or heating, and over half (55%) reported having missed a payment for an essential bill, such as mortgage, rent, energy or council tax.[24]

Figure 2: Financial problems experienced by people receiving treatment and support from secondary mental health services



Source: Money and Mental Health survey. Base for this question: 163 people who had experienced financial problems while in secondary mental health support. The question was multiple choice to capture the multiple ways people had experienced financial harm.

23. Money and Mental Health survey of 191 people. Base for this question: 189.
24. Money and Mental Health survey of 191 people. Base for this question: 163.

1.3 There are huge gaps in the financial support people want and the support they receive while under secondary mental health services

Despite the potentially costly and disruptive impacts, finances are often neglected in people's care plans in secondary mental health services. Our research found eight out of ten (81%) respondents said their crisis or relapse prevention plan did not mention finances.[25] Nearly six in ten (58%) respondents were not offered any support with their finances while under the care of secondary mental health services.[26]

> "I had no help [with my finances] ever. Although the doctor I had was brilliant, he knew as much as I did regarding debt or anything to do with money. I had to sort myself out."
>
> *Expert by experience*

The National Institute for Health and Care Excellence (NICE), which produces guidance to improve clinical services, stipulates that assessments, care and crisis plans should consider patients' holistic social and living circumstances.[27] This wide brief encompasses issues around housing, employment and debt. In reality, the details of these can be overlooked when busy healthcare professionals (HCPs) are dealing with high levels of need and immediate mental health risks.

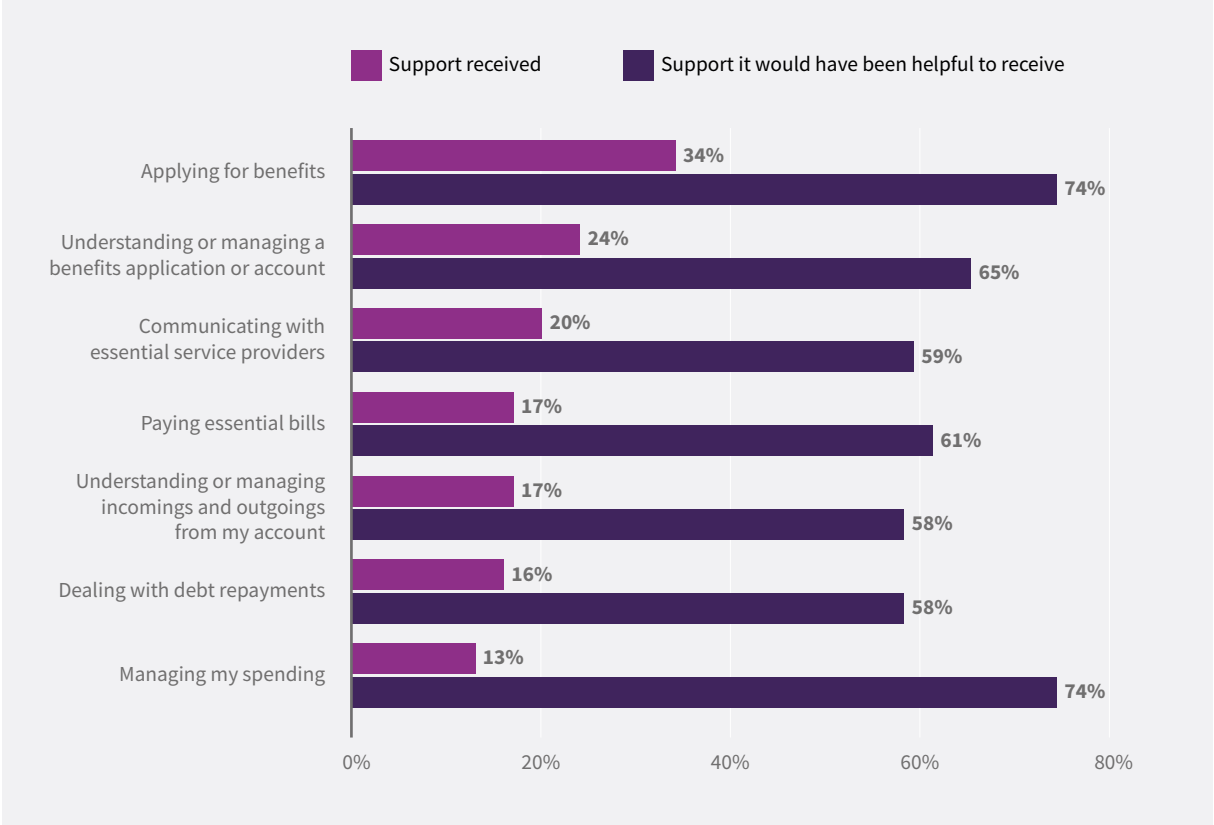
Of the minority of respondents who received support with their finances, two-thirds (68%) were supported to apply for benefits and a third (34%) were supported with the administrative task of paying essential payments, such as rent, mortgage or utility bills.[28]

Turning to the support people said would have been helpful while receiving treatment, four in five (79%) respondents who had received secondary mental healthcare said they would have benefitted from help managing their finances.[29] As Figure 3 illustrates, the need for support with managing finances far outstrips supply. Despite three-quarters of respondents (74%) saying they would have found support managing their spending helpful, just 13% said they received such assistance.

> "I was never asked if there was anyone who was opening mail and keeping on top of my day-to-day living stuff. Thinking about that stuff terrifies me at the best of times but it never occurs to me to think about it when I'm ill. It would have been helpful for someone to remind me that my day-to-day life was still going on, and needed attention and servicing. It's always the same. I go in for treatment and come out to find my financial world is in a bigger mess than when I went in. The resultant terror, shame and guilt undoes all the work of the treatment and I am back in crisis again"
>
> *Expert by experience*

25. Money and Mental Health survey. Base for this question: 75 people with experience of mental health crisis who were aware of and had seen their crisis or relapse prevention plan. 2017.
26. Money and Mental Health survey of 191 people. Base for this question: 173.
27. NICE. People's experience in adult social care services: improving the experience of care and support for people using adult social care services. 2018.
28. Money and Mental Health survey of 191 people. Base for this question: 163.
29. Money and Mental Health survey of 191 people. Base for this question: 181.

Figure 3: Comparison of the support people received and the support they would have liked with their finances while under the care of secondary mental health services



Source: Money and Mental Health survey. Base for these questions: 87 people who received support and 157 people who wanted support with their finances while in secondary mental health support.

1.4 Providing and receiving financial support for people who are acutely unwell can be challenging

More could and should be done to close the gaps shown in Figure 3. But there are unique challenges for people who are acutely unwell to receiving and acting on support. Advice providers face particular challenges to designing and providing services pitched at a level people can engage with

> "When my mental health is bad, I live in a place of fear, shame, worry and anxiety... I can't make phone calls or even answer the phone when I get to this stage. I struggle to use the phone at any time, even to call my family."
>
> *Expert by experience*

Difficulties receiving support

The cognitive effects of mental health problems can impact people's ability to comprehend and act on information. People who are acutely unwell can experience changes in their perception and behaviour. Side effects of medication can impact people's sense of agency and self-efficacy, and can make processing information harder.[30] This can make it more difficult to stay on top of your finances: six in ten survey respondents (60%) said they wouldn't have been able to take in information about managing their finances when they were receiving care from secondary mental health services.[31]

Presented with these additional hurdles to taking in and acting on advice, many people who are acutely unwell also face difficulties using certain communication channels. For some anxiety can make using the telephone impossible, while for others online services are simply overwhelming to understand alone.[32]

For the 100,000 people who are admitted to hospital each year, the challenges are magnified.[33] In hospital, it can be hard to access post and restrictions can mean access to mobile phones or the internet is more difficult.

Even when people are appropriately signposted or referred to advice services, the support can be ineffective. Rigid processes and communication channels that favour remote delivery, or advisors who are often not trained to support people with mental health problems, can mean that debt advice services are not always accessible to people with SMI.[34]

30. Mind. Side Effects of Psychiatric Medication. 2022.
31. Money and Mental Health survey of 191 people. Base for this question: 176.
32. Holkar M, Evans K and Langston K. Access essentials. Money and Mental Health Policy Institute. 2018.
33. NHS Digital. Mental Health Bulletin 2019-20 Annual report. (Accessed: 09/02/22) https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-bulletin/2019-20-annual-report. In 2019-20 over 101,000 over 18's were admitted to hospital under NHS funded secondary mental health, learning disability and autism services.
34. Bond, N. and Holkar, M. Help Along the Way. Money and Mental Health Policy Institute. 2020.

Challenges to providing support

Rates of disclosure of financial difficulties are higher among people who have received support from secondary mental health services, compared to those using solely primary care services.[35] However, disclosure rates are still low, with only around half (53%) of people who had received treatment from Community Mental Health Teams (CMHTs) having spoken to HCPs about how their financial circumstances were affecting their mental health.[36]

Stigma around financial problems can act as a barrier to disclosure. However, HCPs can play an important part in challenging that stigma, and creating supportive environments that encourage disclosure of financial difficulties. Yet, a lack of knowledge about the links between money and mental health problems among HCPs can make people less likely to disclose.[37] Our previous research found that more than seven in ten (71%) healthcare respondents reported they didn't have enough expertise to offer support about avoiding money problems.[38]

> "My understanding is that no one involved in my care has the training/confidence or authority to advise clients on anything deemed to have potential financial or legal consequences. As a result, I'm on my own."
>
> *Expert by experience*

35. Online survey of 5,001 people with experience of mental health problems and 1,000 people without mental health problems. Conducted by Opinium, 25 June – 22 July 2021.
36. Ibid.
37. Bond, N. and Clarke, T. Information is Power. Money and Mental Health Policy Institute. 2019.
38. Ibid.

Part two: Recommendations for government, funders and health care providers

Our evidence base has established the scale of financial harm for people under the care of secondary mental health services; the difficulties for people who are acutely unwell in receiving support; and the challenges for HCPs in providing support.

Below we set out a package of recommendations to prevent financial harm for people receiving secondary mental health care, with actions for central and local government, education and financial services providers, the benefits system and NHS trusts.

Key terms

- **Mental Health Act**
  Legislation that covers the assessment, treatment and rights of people with mental health problems. The following are sections of the mental health act:
  - Section 3 – Allows people to be detained in hospital for treatment of their mental health problem for up to six months in the first and second instance, and 12 month periods thereafter.
  - Section 37, 41 and 47 – People detained under the Mental Health Act on the direction of courts or prison authorities. Such 'forensic' detentions can be of a longer duration.
  - Section 117 – Provides a right to people detained under some sections of the Mental Health Act to free aftercare from their local authority and Clinical Commissioning Group (CCG).
- **Advance choice documents (ACDs)**
  A document that sets out someone's preferences and refusals regarding treatment for when they are ill.
- **Care and Treatment Plans (CTPs)**
  A document completed by health care professionals that outlines all aspects of care when someone is unwell.
- **Approved Mental Health Practitioners (AMHPs)**
  Mental health professionals who have been approved by a local social services authority to carry out certain duties under the Mental Health Act.
- **Money and Pensions Service (MaPS)**
  An arm's length body, sponsored by the DWP, and the biggest funder of free debt advice in England.

2.1 Support practitioners to identify people who are at risk of or who are experiencing financial difficulties

The Money and Pensions Service should fund the development of a money and mental health awareness module for HCPs

Despite high levels of financial difficulties among people who are acutely unwell with SMI, there is currently no training offered on the links between money and mental health. Two bodies have a role to play here: the Money and Pensions Service (MaPs) and Health Education England (HEE). MaPS is a government arms-length body responsible for raising financial wellbeing in the UK. Under its current strategy, MaPS has a key responsibility to improve outcomes for people with mental health problems at three levels: prevention, early intervention and crisis support.[39] MaPS has also committed to collaborate with NHS England to design, pilot and deliver financial wellbeing support through health systems.[40] HEE supports the delivery of health services by offering over 450 free training programmes to health and social care professionals across the NHS.

A precedent has been set for external funding of HEE training modules with HM Treasury's recent funding of the development of the MHBS module. Therefore, MaPS should support practitioners to identify people at risk of or experiencing financial difficulties by funding the development of training materials on the links between money and mental health within HEE's training site. Inclusion of a reference to MHBS within this awareness module would also drive awareness of the mechanism among a wider range of HCPs. This would ensure HCPs who support people in secondary mental health settings are equipped with the skills and confidence to ask about financial difficulties, even when it's not an immediately obvious issue.[41]

MaPS should also work alongside NHS providers to ensure that once established, the money and mental health module can be used as evidence of Continuing Professional Development for HCPs, for example, having it accredited by the Royal College of Nursing. This would further extend the reach of the module and the MHBS mechanism.[42]

39. Money and Pensions Service. UK Strategy for Financial Wellbeing. 2020.
40. Money and Pensions Service. UK Strategy for Financial Wellbeing: Delivery Plan for England. 2022.
41. MaPS has established a precedent of working with partners to develop services to prevent financial difficulties for people experiencing mental health problems through the delivery of a Mental Health and Money Toolkit for the Social Prescribing network.
42. Royal College of Nurses. Revalidation. 2022.

MaPS should better promote Mental Health Breathing Space to a wider range of HCPs

MHBS is currently underutilised. HM Treasury forecast the number of people entering the scheme would be 27,500 in 2021-22, rising to 54,000 by 2030-31.[43] The service as it is currently configured is falling significantly short of reaching this number, with just 696 entrances in the first nine months of the scheme.[44]

This shortfall is not a reflection of the level of need for the service,[45] but indicative of implementation challenges. To extend the reach of the service, HM Treasury should consider repurposing some of the considerable underspend from the scheme to promote it among a wider range of HCPs who support people in crisis, moving beyond approved mental health practitioners (AMHPs) to include mental health nurses, social workers and health care assistants. HCPs can find more information about MHBS **here**.

Health and social care training providers should incorporate the links between mental health problems and financial difficulties into curricula

There are a range of routes into being a healthcare professional in the UK, from undergraduate courses to apprenticeships. As such, professionals enter the workforce with varying levels of understanding of the social determinants of health, like poverty, housing and employment, and very few have an awareness of the relationship between money and mental health. An awareness of the links between money and mental health would ensure HCPs are better able to identify people experiencing financial difficulties and assist them in providing holistic support to people in their care. The Nursing and Midwifery Council, which sets the standards for mental health nursing training, should consider reflecting this as core knowledge within their Standards of Proficiency for Nurses. The standards already require nurses to evidence an understanding of how individual circumstances affect mental health outcomes.[46] However, reflecting the effects financial difficulties have on mental health more explicitly would help to ensure that awareness and understanding is prioritised in care. Wider health and social care training providers for all HCPs should also incorporate the links between mental health problems and financial difficulties into their curricula.

43. HM Treasury. Breathing Space Impact Assessment. 2019.
44. The Insolvency Service. Official Statistics – Monthly Insolvency statistics January 2022. Published February 2022.
45. Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018.
46. Nursing and Midwifery Council. Standards of Proficiency for Nurses. 2019.

2.2 Embed routine enquiry about money worries into secondary mental health services

DHSC should embed routine enquiry about money worries through the implementation of statutory care and treatment plans

The Mental Health Act reform proposes welcome changes, including placing Care and Treatment Plans (CTPs) and Advance Choice Documents (ACDs) on a statutory footing. This presents a once-in-a-generation opportunity to embed routine enquiry about financial circumstances into practice. Routine enquiry already exists in wider health services around domestic abuse, with large bodies of evidence supporting its effectiveness.[47] Learning from this and systematically building routine enquiry into secondary mental health care practice would be a huge step in addressing the financial difficulties that people in secondary care experience.

The Mental Health Act reform proposes factors to be included in CTPs and ACDs. This is a positive move towards personalisation of care, but those factors are insufficient to meet people's holistic needs. The language of 'holistic' and 'unmet needs' is vague, open to interpretation and risks financial matters being overlooked. As such, consideration of and planning for financial matters should be included as a separate section in the standard CTP and ACD templates. It should include explicit prompts around employment, housing, payment of ongoing liabilities and debts. Inclusion of these prompts in CTPs would encourage HCPs to consider patients' financial needs in forming CTPs.

In the case of ACDs, we are aware of the core role these documents play in personalising care and maximising autonomy for people at risk of being detained by expressing their care and treatment preferences. Widening out the scope of ACDs, to include explicit prompts around people's financial support needs would encourage people to consider and stipulate their needs and preferences, when well, for times when they are less well and help practitioners to better support the holistic needs of the people under their care. The overwhelming majority (86%) of survey respondents supported the idea of making plans ahead of time for how their finances will be managed when they are unwell.[48]

Establishing a systemic approach to the identification of financial difficulties, through specific prompts in care planning documents, would help to break the links between mental health problems and financial difficulties, bringing England in line with other parts of the UK, including Wales, which already provides an explicit financial prompt in care plan templates.[49]

47. Asiegbunam, N. Introducing routine enquiry about domestic violence in a paediatric setting. ADC Education and Practice. 2016.
48. Money and Mental Health Survey. Base for this question: 173.
49. Gov.Wales. Guidance: Care and Treatment Template. 2019.

2.3 Extend the reach and enhance the tools already available to people in mental health crisis

DHSC should automatically offer Mental Health Breathing Space to people detained in hospital

MHBS, as it is currently configured, is not reaching the number of people it was forecast to serve. Therefore, given the health systems' wider recognition of the links between mental health problems and financial difficulties and how problem debt can exacerbate mental health problems,[50] the Department of Health and Social Care (DHSC) and NHS England should utilise the statutory MHBS scheme to better serve, and meet the holistic needs of people under their care. By systematically offering MHBS to all people formally detained under longer-term sections, including section 3 and forensic sections of the Mental Health Act.[51] The short-term nature of many mental health admissions means that routinely offering the scheme to all people admitted to hospital may be premature.[52] Automatically offering MHBS to people detained for potentially longer-term admissions would ensure that those whose incomes are likely to be adversely impacted by extended admissions can be supported. Systematically offering this intervention to people formally detained under potentially longer-term sections, targets the core group of people the MHBS mechanism was intended for. To present an example of the possible reach of such a targeted intervention, in 2020-21 there were a total of 11,239 detentions under sections 3, 37, 41 and 47 of the Mental Health Act, representing 21% of all detentions.[53]

Formalising the automatic offer of MHBS to this targeted group, would go a long way to ensuring MHBS supports the number of people HM Treasury forecast it to serve.

An automatic offer of MHBS would involve systematic enquiry about the financial circumstances of people detained under the above sections of the Mental Health Act, and where problem debt is identified the automatic offer of referral for MHBS.[54] Expanding the service in this way, would ensure opportunities to support people who are most likely to be experiencing financial difficulties are not missed. The systematic enquiry should be undertaken by HCPs within the first 14 days of detention, (and could align with proposed timeframes for statutory care planning)[55] and then follow the established transfer pathway to AMHPs for completion of the MHBS referral. This would also ensure opportunities to support people through formal debt advice after discharge are not missed, and people will be supported to resolve financial difficulties and help to prevent financial worries from hindering recovery.

MaPS should work alongside DHSC and NHS England to implement the automatic offer of MHBS to people detained under section 3 and forensic sections of the Mental Health Act, as part of achieving the aims set out in their Strategy for Financial Wellbeing Delivery Plan for England of MHBS reaching 600,000-750,000 people by 2030.[56]

50. NHS. Coping with money worries and job uncertainty during COVID-19. (Accessed: 24/02/22)https://www.nhs.uk/every-mind-matters/coronavirus/coping-with-money-worries-and-job-uncertainty-during-covid-19/
51. Mental Health Act 1983. Including Sections 3, 37, 41 and 47.
52. In 2020-21 there were 41,509 detentions under Section 2 of the Mental Health Act, representing 78% of all detentions. Section 2 authorises people to be detained for up to 28 days. NHS Digital. Mental Health Act Statistics, Annual Figures – 2020-21. (Accessed: 14/03/22) https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-act-statistics-annual-figures/2020-21-annual-figures.
53. NHS Digital. Mental Health Act Statistics, Annual Figures – 2020-21. (Accessed: 14/03/22) https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-act-statistics-annual-figures/2020-21-annual-figures.
54. Where a patient lacks the mental capacity to make a decision about MHBS, there is an established process for ensuring a person is supported and any action is in their best interests.
55. DHSC. Consultation outcome: Reforming the Mental Health Act. 2021.
56. MaPS. UK Strategy for Financial Wellbeing: Delivery Plan for England. 2022.

NHS England should include a financial difficulties query in annual physical health checks

NHS England has a programme of physical health checks to address higher rates of poor physical health among people with SMI,[57] with a target of 390,000 people living with SMI to receive an annual physical health check by 2023/24.[58] The health check includes lifestyle factors such as smoking and physical activity, and encourages practitioners to consider people's 'whole health' as opposed to their mental health in isolation.[59]

NHS England should address the correlation between financial difficulties and mental health problems by including a financial difficulties query within physical health checks for people with SMI. NHS England should provide accompanying guidance for HCPs to support them to enquire about financial difficulties, alongside sources of support to signpost patients to.

Evidence established through data collection during physical checks would assist the Office for Health Improvement and Disparities (OHID) in determining the prevalence of financial difficulties amongst people with SMI and would highlight any regional disparity that could inform 'levelling up' plans.

2.4 Integrate money advice services into mental health settings

An important element of supporting people to avoid financial harm and resolve existing financial difficulties is access to specialist welfare advice services. While pockets of excellent practice address this need for people in secondary mental healthcare,[60] these services are the exception rather than the norm.

Local authorities must ensure people recently discharged from psychiatric hospital can access specialist and accessible money advice services

Local authorities are obliged under the Care Act 2014 to promote individuals' physical, mental, social and economic wellbeing.[61] As part of this obligation, local authorities must ensure residents have access to relevant and accessible financial advice services.[62] In addition to this duty, local authorities (and CCGs) also have an obligation to provide aftercare services to certain qualifying people leaving psychiatric hospital under section 117 of the Mental Health Act.[63] Aftercare services that local authorities and CCGs must provide should address needs that arise from a person's mental health problem(s) and reduce the risk of deterioration and readmission to hospital.[64] It is unclear the extent to which local authorities and CCGs are currently fulfilling their obligations under these two pieces of legislation, and ensuring the financial needs of people are catered for.

57. NHS England. Technical Guidance: Physical Health Checks for people with Severe Mental Illness. 2019.
58. NHS England. The NHS Long Term Plan. 2019.
59. NHS England. Physical Health Checks for people with Severe Mental Illness. 2022.
60. Co-located debt advice and welfare rights services operate in a number of mental healthcare services, including outreach services in mental health hospitals, and co-located services in CMHT's, such as those run by Citizens Advice in Birmingham and Leeds or local authority-run services in Sheffield and Hertfordshire.
61. Section 1.1 Care Act 2014.
62. Section 1 (4.4) Care Act 2014.
63. Section 117. Mental Health Act. 1983.
64. Ibid.

Financial difficulties can be both a cause and a consequence of mental health problems. Specifically, in the case of bipolar disorder, impulsive spending makes up one of the diagnostic criteria for the condition.[65] Local authorities should ensure they are sufficiently meeting the financial care needs of people under s117 of the Mental Health Act, where their need for financial guidance, advice and assistance arise from their mental health condition. And more broadly, under their Care Act obligations, local authorities should ensure that those services are accessible to the needs of people who are acutely unwell. While we recognise the constant funding constraints many local authorities face,[66] it is crucial that people's financial care needs are not forgotten.

MaPS should ring-fence funding for the delivery of specialist money advice that is accessible to people who are acutely unwell

MaPS, the largest single funder of debt advice in England, has responsibility for and oversight of the delivery of debt advice services. Mental health is identified as a cross-cutting theme in MaPS's financial wellbeing strategy and a priority focus for the delivery of services.[67] As part of this commitment, MaPS should recognise both the cognitive and physical barriers that people in secondary mental health services currently face in accessing money advice services to prevent and resolve financial difficulties, by exploring ring-fenced funding to deliver integrated specialist money advice services that are accessible to people in secondary mental health care. There are multiple options for how this could be delivered:

- physically co-located debt advisors in inpatient settings and CMHTs
- outreach debt advisors visiting services
- training 'financial difficulty champions' within secondary mental health services, who act as a go-between, supporting service users to gather and provide relevant information to equip debt advisors to appropriately offer support.

65. American Psychiatric Association. Diagnostic and statistical manual of mental disorders (5th ed.) 2013.
66. Local Government Association. Council Funding. 2021.
67. Money and Pensions Service. UK Strategy for Financial Wellbeing. 2020.

2.5 Wider system change to prevent financial difficulties for people who are acutely unwell

Organisations outside of health services play an essential role in effectively preventing and resolving financial difficulties for people under the care of secondary mental health services. Chief among these is the Department for Work and Pensions (DWP), which for many people with mental health problems determines how much income they receive.

DWP should increase the level and provision of ESA

It can be impossible for people who are acutely unwell to readjust their budgets to accommodate huge income drops, which can result in direct financial harm. As a minimum, HM Treasury and the DWP should review the ESA assessment rate, with a view to increasing payment from £74.70 per week to £96.35 a week, to at least bring it into line with SSP. While £96.35 a week would not sustain someone for a significant period, it would reduce the detriment associated with the assessment rate level of ESA offered at present.[68]

BEIS should increase the level and provision of SSP

Increasing the ESA assessment rate only represents a first step in supporting people to manage the huge income drops associated with mental health crises. The government should go further, and help people when they are too unwell to work by raising the level at which SSP is set and lowering the eligibility threshold to ensure more workers qualify for the SSP.

DWP should amend Universal Credit regulations to introduce an easement for people receiving mental health crisis treatment

People claiming income replacement benefits like ESA or Universal Credit (UC) are often required to comply with conditions to maintain their benefits claim. The conditions are wide ranging, from attending appointments to completing tasks such as writing a CV and applying for jobs. Maintaining a benefits claim can be exceptionally difficult when unwell, especially if someone is incorrectly assessed as being able to meet certain conditions to maintain their claim, or, as in the case of sudden mental health crisis, their needs change significantly.[69] People who are receiving secondary mental healthcare are acutely unwell and should not be required to comply with stringent conditions to maintain their income.

In some exceptional circumstances, the conditionality requirements of benefits payments temporarily ease. For example, if a claimant discloses domestic abuse to a job coach, conditionality is eased for 13 weeks.[70] Yet there is no parallel easement for people experiencing mental health crises. Work coaches already have discretion to offer conditionality easements, and an acute mental health crisis or care from secondary mental health services, should be sufficient to trigger this discretion. However, people are still experiencing sanction whilst receiving secondary mental health treatment, and this suggests that discretion is not being routinely applied. As explored in this report, personal barriers such as cognitive difficulties and physical barriers can make it harder for people who are acutely unwell to disclose their circumstances to their work coach.

68. Department for Work and Pensions. Benefit and pension rates 2021 to 2022. 2021.
69. Bond, N. Braverman, R. and Evans, K. The Benefits Assault Course. Money and Mental Health Policy Institute. 2019.
70. Department for Work and Pensions. Guidance on domestic violence and abuse: help from DWP. 2018.

These factors, alongside stigma and uncertainty about the discretion that will be exercised, can mean people do not always disclose. It is insufficient to rely solely on people who are acutely unwell, to have to notify the DWP of their circumstances in order to be offered appropriate easements. Given the scope for discretion already exists, introducing a mental health crisis easement would not require significant extra resources and would be of little cost to the DWP. Yet the effect of formalising the easement would help to ensure that fewer people who are acutely unwell fall through the cracks and would go a long way to preventing financial difficulties for people in receipt of secondary mental healthcare.

Of the 2.7 million households currently receiving 'legacy' benefits, nearly 885,000 are identified as vulnerable and on ESA for a primary condition of mental health problems.[71] By the end of 2024, everyone receiving these legacy benefits will be moved to UC. People with mental health problems are likely to struggle with the compulsory move to UC. Our past research has found people experienced difficulties completing the complex tasks involved in maintaining a UC claim and liaising with work coaches via a digital system, all of which are likely to be exacerbated by episodes of acute mental health problems. A crisis easement should be introduced as a matter of urgency, ahead of compulsory migration to UC.[72] This would mean people receiving mental health crisis treatment have an extended period where conditionality is eased, before having to undergo a reassessment, and they are adequately supported to ensure their benefits are not disrupted when they are least able to manage the income drop.

DWP should provide adjustments to assessment processes in line with guidance for Health and Social Care assessments

People who apply for ESA, are required to undergo a Work Capability Assessment (WCA), a formal process which assesses whether or not a person is fit for work. Our previous research found that people with mental health problems can struggle to engage with this process, due to inaccessible assessment appointments, difficulties in the relationship dynamics between claimants and assessors, and a lack of mental health specialist assessors.[73] These challenges are amplified for people who are acutely unwell.

The WCA processes should be adjusted to reflect Health and Social Care assessment processes, by introducing specialist mental health assessors, and offering flexible appointments that take into account fluctuations in mental health.[74] These changes would help to ensure that assessments are more accessible to people who are acutely unwell, and that people are appropriately supported depending on their needs.

71. Stat-Xplore. 884,962 people receiving ESA legacy benefits with a primary condition of a mental or behavioural disorder as of August 2021.
72. Bond, N. Set up to fail. Money and Mental Health Policy Institute, 2021.
73. Bond, N, Braverman R and Evans K. The benefits assault course. Money and Mental Health Policy Institute. 2019.
74. Department of Health and Social Care. Care and support statutory guidance. 2018.

Conclusion

We know that financial difficulties are both a cause and consequence of mental health problems. For people in secondary care, financial difficulties shouldn't be inevitable. The recommendations outlined above present a suite of protections for people in receipt of secondary mental health care services and present multiple ways to embed routine enquiry and integrated advice services.

Our recommendations intervene at multiple points in a person's care and treatment journey with secondary mental health services. Offering protections in the cohesive ways we have proposed offers an opportunity to intervene repeatedly at different touchpoints in a person's care and treatment pathway. This has a layering effect, adding up to many opportunities to intervene to prevent and minimise harm, and reduce the likelihood that people will fall through the cracks in service provision. Without these interventions there is a risk that people will be discharged from secondary mental health services without addressing financial matters, returning to the same – or worsened – financial environment that contributed to the crisis in the first instance, and increasing their chances of relapse.

The government's focus on integration, alongside fundamental reforms to the Mental Health Act, provides a chance to disrupt this pathway. As the country battles with the cost of living crisis, and rates of people in contact with secondary mental health services rise, it is more important than ever that we ensure secondary care services meet people's holistic needs through joined-up health and care services.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