

Money and Mental Health's submission to the APPG for 'Left Behind' Neighbourhoods' inquiry into levelling up

Introduction

The Money and Mental Health Policy Institute is a research charity established by Martin Lewis to break the vicious cycle of money and mental health problems. We aim to be a world-class centre of expertise developing practical policy solutions, working in partnership with those providing services, those who shape them, and those using them, to find out what really works. Everything we do is rooted in the lived experience of our Research Community, a group of thousands of people with personal experience of mental health problems.

This written submission has been informed by the experiences of our Research Community, as well as our wider body of research. Unless otherwise specified, all quotes in this response are drawn directly from the Research Community.

Background

- Having a mental health problem can affect our finances in a number of ways, from limiting the income we receive to impacting how we manage and spend our money. In turn, our financial situation can play a big role in our mental health, with stress and anxiety caused by financial difficulties often driving and exacerbating mental health problems.
- The vicious cycle between poor mental and financial health means those of us with mental health problems are three and a half times more likely to be in problem debt than those without, and half (46%) of adults in problem debt also have a mental health problem.¹
- Where we live can shape the relationship between our mental and financial health. Across the country, people with mental health problems form a key group who have been left behind. But in a handful of inequality hotspots the disadvantage they face is much larger than average.²
- If the government is to 'level up' the people and communities who have been 'left behind', the levelling up agenda needs to stop ignoring and start delivering for people with mental health problems.
- In our submission we have outlined actions the government should take so the levelling up agenda aligns with the needs and aspirations of people with mental health problems living in 'left behind' neighbourhoods. These relate to missions 1, 3, and 8.

Mission 1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, and the gap between the top performing and other areas closing.

¹ Holkar M. Debt and mental health: a statistical update. Money and Mental Health Policy Institute. 2019.

² Stacey B and D'Arcy C. No one left behind: making levelling up deliver for people with mental health problems. Money and Mental Health Policy Institute. July 2022.

There is a large and sustained employment gap between people with mental health problems and those without. Our analysis of the Office for National Statistics's Labour Force Survey shows that people with mental health problems are 30 percentage points less likely to be in employment than people without (58% versus 88% respectively among people aged 25-54).³ But there are some regions in England where that mental health employment gap is particularly large - including the North West (34%) and the North East (39%).⁴

This, combined with the fact that people with mental health problems who are in employment are overrepresented in roles that are more likely to be low-paying,⁵ means the income gap faced by people with mental health problems is significant. Annual median income for people with common mental disorders like anxiety or depression is just over two-thirds (68%) that of people without those conditions, equivalent to a gap of £8,400.⁶

Yet the government's proposed actions for achieving mission 1 fail to address the significant barriers that specific groups of people in 'left behind' neighbourhoods - including those with mental health problems - face to employment.

Only 53% of Research Community respondents say they are able to access jobs in their area that suit their mental health needs. Different factors make a local labour market well or badly suited to the needs of people with mental health problems. Recurring challenges include a lack of secure roles, as well as positions with little flexibility in terms of being able to reduce hours or work from home.⁷

"[In my area there are] not many jobs, coastal town is more seasonal or zero contract hours. Bus service cut several years ago which restricted my ability to work out of the town (never learnt to drive and can not afford to drive, even if I could)." Expert by experience

"Lack of jobs that offer the flexibility and homeworking that I require to get back into work, and lack of employer understanding of mental health needs, plus stigma of mental health." Expert by experience

In light of these difficulties, people with mental health problems may be particularly likely to benefit from help finding and retaining suitable work. Despite that, only one in three (33%) of

³ This figure rolls together four quarters worth of data across 2021. It considers only those aged 25-54 years old, to capture those most likely to be in work, and includes those in self-employment. The definition of mental health problem is anyone who has reported currently or ever having "depression/bad nerves" or "mental illness, phobia/panics".

⁴ Stacey B and D'Arcy C. No one left behind: making levelling up deliver for people with mental health problems. Money and Mental Health Policy Institute. July 2022.

⁵ Bond N and D'Arcy C. Mind the Income Gap: How work and social security shape the incomes of people with mental health problems. Money and Mental Health Policy Institute. 2020.

⁶ Bond N and D'Arcy C. Mind the income gap: how work and social security shape the incomes of people with mental health problems. Money and Mental Health Policy Institute. 2020.

⁷ Stacey B and D'Arcy C. No one left behind: making levelling up deliver for people with mental health problems. Money and Mental Health Policy Institute. July 2022.

Research Community respondents have received employment support. Among those who had, it was often delivered by the Department for Work and Pensions (DWP). A number of members discussed how, despite the potential for assistance to be useful, DWP Work Coaches pushed them to take any job in the local area, regardless of whether it matched their needs. Only 9% of respondents felt that employment support from the Jobcentre supported them into work that was suitable given their mental health problem.⁸

“I live relatively near a large industrial estate. All benefit based employment support seems to consist of pushing people into full time physical roles at local factories, no matter whether it’s suitable. There is no support locally for access to training, education, working from home etc.”

Expert by experience

Our research suggests that for job-seekers, especially in places where the mental health employment gap is larger, the support available is ineffective. If this levelling up mission is to deliver for people with mental health problems, the employment support provision needs to be improved. Key to this is **embedding lessons learned from the Individual Placement and Support (IPS) scheme**. IPS has successfully helped people with more severe mental health problems into work⁹ through providing individualised support via employment specialists. A similar model should be delivered in Jobcentres by specialist mental health Work Coaches, who are empowered to guide people as they seek to secure work that meets their needs, with conditionality and sanctioning removed in order to focus the help on finding and staying in work.

Action also needs to be taken so that more people with a mental health problem have access to well-paid, flexible employment that they can manage alongside their condition. While employers have a key role to play here, steps must also be taken by the government, including the introduction of **a right to flexible working** and **mandatory reporting on both flexible working requests and the mental health pay gap**.

Currently, employees are given the right to request flexible working, but this can be easily rejected by employers. Requiring employers to offer flexible working unless this would be incompatible with carrying out the job, would create a process similar to that under the 2010 Equality Act which places a duty on employers to facilitate all reasonable adjustment requests for people with disabilities. And requiring firms employing 250 or more staff to publish the number of flexible working requests they receive and refuse, alongside their mental health pay gap, would provide an additional incentive for employers across the country to better support the mental and financial health of their staff.

Mission 3. By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.

⁸ Stacey B and D’Arcy C. No one left behind: making levelling up deliver for people with mental health problems. Money and Mental Health Policy Institute. July 2022.

⁹ Picken N et al. Evaluation of IPS Grow: Final report. RAND Corporation. 2021.

Underpinning a lot of the challenges facing people with mental health problems in ‘left behind’ areas – the accessibility of employment, essential retailers, and services – is public transport. Among our Research Community respondents, the most commonly-cited factor in their area that has a negative impact on their finances is the cost of fuel and transport. Only two in five (42%) agree that their area has regular and affordable public transport. What’s more, there is a stark disparity between people in rural areas, with only 21% agreeing, compared to 51% of those in urban areas.¹⁰

Yet the actions committed to as part of mission 3 fail to address the significant cost-related barriers that specific groups of people - including those with mental health problems - face with regard to public transport, especially in ‘left behind areas’.

The knock-on effects of these barriers can be detrimental to both people’s mental and financial health. This has become particularly acute in the context of the cost of living crisis: one in five (19%) Research Community respondents have missed an appointment related to their mental health care, with some respondents explaining how they simply couldn’t afford to travel for treatment, whether for their mental or physical health.¹¹

“The cost of transport (£6 minimum) has to be factored into every decision...It’s hard to feel like I am ‘worth’ this, and to justify the expense from my very limited budget. A £10 bag of fresh produce becomes a £16 bag. Putting in a prescription request for mental health meds, & going back days later to collect it, is 2 x £6, 13 times a year. Mental health issues means it’s not always possible to ‘combine’ trips – if I’m anxious about seeing the doctor, I don’t want to walk around the supermarket afterwards as I will either forget half of it or overspend.” Expert by experience

As one Research Community respondent outlined, the threshold to access national Concessionary Travel Schemes and similar discretionary programmes provided by local authorities can often limit the scope of people who can access them.

“Currently, the mental health points criteria for free bus travel is very high, compared to the physical eligibility requirements.” Expert by experience

As well as increasing the provision and regularity of transport in ‘left behind’ areas, action undertaken as part of this mission should also involve **broadening the categories of disabled people entitled to both national concessionary travel schemes and local authority discretionary schemes** to include, among others, more of those with a diagnosed mental health problem. As it stands, people with mental health problems in England are not

¹⁰ Stacey B and D’Arcy C. No one left behind: making levelling up deliver for people with mental health problems. Money and Mental Health Policy Institute. July 2022.

¹¹ D’Arcy C. A tale of two crises: The cost of living and mental health. Money and Mental Health Policy Institute. 2022

covered by these schemes.¹²¹³ This would help protect people with mental health problems from being priced out of accessing employment, treatment and other key services.

Mission 8. By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.

Social infrastructure brings immense value to people's mental health and wellbeing. When we asked our Research Community what it is about their area that has a positive impact on their mental health, access to green space was the top factor, with many saying that spending time in green space helps them manage their mental health problems. Second to this was living somewhere that was friendly and had a strong sense of community, which both generated a feeling of belonging and security. It was also important that people's areas had spaces to facilitate community interactions that were affordable.¹⁴

Despite this, only 58% of our respondents say there are community facilities, such as community centres, libraries and sports centres, that they can easily access. As noted above, an additional key barrier to connectivity for people with mental health problems is a lack of regular and affordable public transport. In 'left behind' neighbourhoods where there are low levels of community capacity, depleted civic assets and poor connectivity, a lack of affordable and accessible facilities is an especially pressing issue.

"A local sports facility centre would be great as I could go for a swim or look at taking an exercise class when I feel up to it, rather than be put off by having to travel 30 minutes to do the same, as is the current situation." Expert by experience

As well as taking a toll on mental health, a lack of social infrastructure can also take a toll on financial health, in turn further compounding how 'left behind' an area is. Research has shown that strong social foundations help to secure the success of interventions that aim to boost an area and its residents' prosperity - such as employment, training and education. Initiatives in areas without social infrastructure are more likely to fail.¹⁵

If work undertaken as part of this mission is to successfully improve wellbeing in every area of the country, then sufficient investment in social infrastructure is needed. To help achieve this, **the Community Wealth Fund should be allocated funding by the Dormant Assets Fund.**

¹⁶ The Community Wealth Fund aims to provide support and funding to reinvigorate social infrastructure (places and spaces to meet, community organisations, and connectivity, both transport and digital) in 'left behind' neighbourhoods. Were it to become a recipient of the Dormant Assets Fund, more capital could be available to invest in the social infrastructure in 'left behind' neighbourhoods. This would not just improve access to spaces and services that

¹² <https://www.legislation.gov.uk/ukpga/2000/38/section/146>

¹³ <https://www.legislation.gov.uk/ukpga/1985/67/section/93>

¹⁴ <https://www.moneyandmentalhealth.org/local-area-and-mental-health/>

¹⁵ <http://communitywealthfund.org.uk/wp-content/uploads/2022/07/CWF-briefing-explainer.pdf>

¹⁶ For more see <https://www.moneyandmentalhealth.org/policybriefing/dormant-assets-mental-health/>

promote wellbeing, but also improve wellbeing by providing the social fabric that allows initiatives aimed at improving the financial health of people in 'left behind' to succeed.