

## Money and Mental Health's submission to the Money and Pensions Service's Request for Information on Mental Health Crisis Breathing Space

### 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 thousands of people with lived experience of mental health problems or caring for someone who does.

This written submission has been informed by this powerful, lived experience testimony and our wider body of research. As part of this response, we draw on our research over the last seven years, specifically our research with Community members who have experience of severe mental illness (SMI) or mental health crises. In addition to this response, we recommend the Money and Pensions Service (MaPS) review our report's [Recovery space](#) and [Not a secondary issue](#).

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### Background

- Between 23% and 33% of people with a mental disorder are in problem debt.<sup>1</sup> Our 2017 analysis found that in England alone, at least 23,000 people in hospital for their mental health were also experiencing serious financial difficulties.<sup>2</sup> Many thousands more were managing debt whilst in the care of a crisis team in the community.<sup>3</sup>
- Mental Health Crisis Breathing Space (MHCBS) is the statutory instrument that was introduced in 2021 to help address this challenge, providing people in mental health crisis respite from debt collection activity and escalating fees and charges.
- Yet in the first 22 months of implementation of MHCBS, just 1.6% (2,075) of all Breathing Space applications were for the MHCBS mechanism.<sup>4</sup> The service as it is currently configured is falling significantly short of reaching HM Treasury's forecasts of 27,500 MHCBS applications in 2021-22, rising to 54,000 by 2030-31.<sup>5</sup>

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<sup>1</sup> Jenkins R et al. Debt, income and mental disorder in the general population. *Psychological Medicine* 2008; 38: 1485-1493.

<sup>2</sup> Money and Mental Health analysis of NHS England data. a. See Annex A for further details

<sup>3</sup> Bond, N. Braverman, R. and Clarke, T. *Recovery Space*. Money and Mental Health Policy Institute. 2018

<sup>4</sup> Gov.UK. [Monthly Insolvency Statistics, February 2023](#). (Accessed: 11/04/23)

<sup>5</sup> HM Treasury. *Breathing Space Impact Assessment*. 2019.

- The shortfall in applications for MHCBS does not reflect the level of need for the services.<sup>6</sup> MHCBS is, in fact, desperately needed.<sup>7</sup> However, limitations in the way the scheme is currently configured mean it has not been utilised to its full potential.<sup>8</sup>
- Regulatory amendments are required to ensure MHCBS reaches the huge numbers of people in mental health crisis who could benefit from the service. Proposals put forward by MaPS in this Request for Information would go further in establishing a wrap-around debt advice service able to meet the needs of people with severe mental illness (SMI), those in crisis and those with complex needs.
- MaPS are responsible for overseeing the implementation of MHCBS, and in Summer 2023, intend to issue an invitation to tender for a service to administer MHCBS and to support clients in England with debt and mental health problems.
- In preparation for this, MaPS have issued a Request for Information to explore whether there is merit in the MHCBS service undertaking other activities to support the debt advice sector and what this enhanced service model could look like. The proposals for an enhanced service are in response to two key points:
  - MHCBS is not reaching the numbers of people it was intended for, which implies the service is operating with a significant underspend.
  - Mainstream debt advice services are ill-equipped to meet the needs of people with SMI.
- The proposals outlined in MaPS's Request for Information seek to address these two points by expanding the MHCBS service to deliver additional activities to support people with SMI. We welcome MaPS's intent to ensure the MHCBS service reaches as many people as possible, and we broadly support the proposals for introducing a much-needed enhanced service for people with SMI and complex needs. We remain cautious about the implications of delivering this enhanced service from the existing budget for MHCBS.

### **There is a clear demand for the MHCBS scheme**

Keeping up with bill payments can be impossible when experiencing an acute episode of mental ill-health. This can be compounded when wages stop due to absence from work, sanctions are applied, or benefits cease when you cannot meet the expected requirements. A survey of our Research Community found that six in ten respondents incurred a bank charge for going overdrawn or missing a payment while under a secondary mental health team's care. Over half (55%) had missed a payment for an essential bill, such as mortgage, rent, energy or council tax,

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<sup>6</sup> Bond N and Preece G. Not a secondary issue. Money and Mental Health. 2022

<sup>7</sup> Bond N, Braverman R and Clarke T. Recovery Space. Money and Mental Health Policy Institute. 2018.

<sup>8</sup> Bond N and Preece G. Not a secondary issue. Money and Mental Health. 2022

and 52% had missed a payment for an unsecured credit product, such as a credit card, loan or buy-now-pay-later product.<sup>9</sup>

The consequences of falling behind on bills can be devastating and can act as a source of stress and burden for people struggling to recover from an acute episode of mental health crisis. In these circumstances, MHCBS can be a lifeline for those who can access it.

*Breathing space... has totally changed my experience from feeling hounded and persecuted to supported and valued... Took away much fear and sleepless nights coupled with dire days of depression.”* Expert by experience

However, challenges with implementing MHCBS mean the service is not reaching the number of people it is designed to support.

### Implementation and regulatory challenges are limiting the scheme's success

MHCBS has three core functions: specifically to (1) process referrals to the scheme, (2) proactively engage MHCBS clients during/after their crisis treatment, and (3) give debt advice to MHCBS clients. Yet the service as it is currently configured is falling short on points 1 and 3.

- Process referrals to the scheme - between October and December 2022, just 117 MHCBS referrals were processed. From January to February 2023, just 125 referrals were processed.<sup>10</sup>
- Give debt advice to MHCBS clients - between May 2021 and February 2023, just 37% of referrals processed to MHCBS started debt advice.<sup>11</sup>

### Why MHCBS referrals are low

Details included in the Request for Information suggest proposals to expand the scope of the MHCBS service are driven by uncertainty around demand forecasts together with intentions to flex and adapt the service at times when demand is higher or lower than anticipated.<sup>12</sup> However, this framing of the problem appears to miss a crucial point. Our evidence suggests there is not low demand for the service<sup>13 14</sup> Instead, how the service is administered is driving the low levels of referrals. As MaPS correctly identifies, this is partly driven by low awareness of the mechanism among Health Care Professionals.

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<sup>9</sup> Bond N and Preece G. Not a secondary issue. Money and Mental Health. 2022. Money and Mental Health survey of 191 people. Base for this question: 163.

<sup>10</sup> MaPS. Request for Information - Mental Health Crisis Breathing Space. March 2023

<sup>11</sup> MaPS. Request for Information - Mental Health Crisis Breathing Space. March 2023

<sup>12</sup> MaPS. Request for Information - Mental Health Crisis Breathing Space. March 2023

<sup>13</sup> Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018.

<sup>14</sup> Bond N and Preece G. Not a secondary issue. Money and Mental Health. 2022

The limited range of professionals who can attest to a person being in mental health crisis also limits the scheme's success. Only an Approved Mental Health Practitioner (AMHP) can confirm that a person is receiving mental health crisis treatment and is eligible for the scheme. However, the AMHP workforce faces a growing recruitment and retention problem,<sup>15</sup> coupled with the huge responsibilities they already hold, which means it is unrealistic and excessively bureaucratic to require all MHCBS applications to be 'signed-off' by an AMHP.<sup>16</sup>

### Expanding the scope of the service

We welcome MaPS's proposals to expand the scope of the MHCBS service, to serve a broader range of people with SMI/complex needs with a wider range of service provisions. However, we remain cautious about how these proposals can be enacted under the current budget and the potential adverse unintended consequences.

MaPS proposes several additions to the MHCBS service which would see the service undertake other activities to support the debt advice sectors. These proposals fall into three broad camps. We explore the relative merits of each of these below and propose changes to ensure greater success.

### **Direct service provision to a wider range of people with SMI and complex needs**

**Giving debt advice to clients with severe mental illness and complex needs who do not meet the eligibility criteria for MHCBS** - We welcome the proposal for the direct provision of specialist debt advice services to people with SMI. We know that people with SMI can struggle to access mainstream debt advice services and that people face a trio of challenges - shame and hopelessness, capability limitations and simply being too unwell - which means they can struggle to access and make use of debt advice services.<sup>17</sup>

Mainstream advice services often fail to understand the capability limitations that people with SMI can face and require people to complete tasks that are beyond their abilities.<sup>18</sup> There is an overwhelming demand for such services. In a survey of our Research Community, eight in ten (79%) respondents with experience of SMI reported they would be more likely to seek support with their finances from a specialist mental health debt advice service than a mainstream debt advice service.<sup>19</sup> However, demand for an expanded service, if delivered consistently across England,

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<sup>15</sup> Association of Adult Social Services (ADASS). Top Tips for Directors of Adult Social Care. 2018

<sup>16</sup> Bond N. Money and Mental Health's submission to HM Treasury's Statutory Debt Repayment Plan Consultation. July 2022

<sup>17</sup> Bond N and Holkar M. Help along the way. Money and Mental Health Policy Institute. 2020

<sup>18</sup> Bond N. Making debt advice accessible to people with serious mental health problems. 2022

<sup>19</sup> Money and Mental Health survey of 200 people. Base for this question: 193.

would likely be high and risk bottle-necking referrals, leading to delays in access to appropriate debt advice and potentially taking valuable resources away from administering MHCBS to people in crisis.

### **Support the debt advice sector to better serve people with SMI and complex needs**

**Supporting other debt advice providers to meet the needs of clients with SMI through training, second-tier support or partnership working** - In our research with 193 members of the Money and Mental Health Research Community with SMI and experience of mental health crisis about their views and experiences on access to debt advice services - over half (56%) of respondents prioritised debt advice services that understand how mental health problems can affect financial management, and that can tailor advice accordingly.<sup>20</sup> Therefore, there is a need for mainstream debt advice services to receive training on the impact of SMI on people's ability to earn and manage money, as well as communicate with creditors and the debt advice sector.

Regional debt advice commissioning already requires providers to ensure mainstream debt advisors have training in mental health problems, including common mental disorders (CMD) and SMI.<sup>21</sup> While we welcome the upskilling of mainstream debt advice services to better support clients with SMI, expanding the MHCBS service to deliver this without an increased budget risks diverting funding away from MHCBS to other parts of the debt advice system. Ensuring mainstream debt advice services have sufficient training to meet the needs of people with SMI should not be at the expense of people in mental health crisis who need to access MHCBS.

MaPS, in their role as the largest single funder of free debt advice in England, are well positioned to ensure the debt advice sector is sufficiently trained in the needs of people with CMD and SMI. To this end, MaPS should use their commissioning powers and make it mandatory for all debt advice providers to deliver mental health training to all front-line staff, not just regional (face-to-face) delivery, as the commissioning arrangement stipulates.<sup>22</sup>

### **Raise awareness of the MHCBS service among secondary mental healthcare services**

**Undertake active outreach and promotion of the MHCBS service within the secondary mental health services sector.** - Again, we welcome this approach of raising awareness of MHCBS among a wider range of Health Care Professionals. We have been advocating for this over the last year,<sup>23</sup> and it forms a crucial part of the puzzle in getting more people to benefit from MHCBS.

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<sup>20</sup> Money and Mental Health survey of 200 people. Base for this question: 196.

<sup>21</sup> Bond N. Recommissioning debt advice: meeting the needs of people with mental health problems. 2021

<sup>22</sup> MaPS. Statement of Requirements: Commissioning Debt Advice in England. Lots 1,2,3 & 4. July 2021

<sup>23</sup> Bond N and Preece G. Not a secondary issue. Money and Mental Health. 2022

Moving promotion away from focusing solely on AMHPs is crucial to the scheme's success. HCPs working on wards or visiting people's homes are well-placed to identify financial difficulties. HCPs see the bags of demand letters being brought onto wards or piling up in the letterbox, and they witness the mental health impact of the stress that this causes. They overhear the calls to debt collection companies and are well-placed to intervene. To better equip HCPs to identify financial difficulties, MaPS should work with Health Education England (HEE) to design and deliver a training module on the links between money and mental health for HCPs in mental health services. The existing 'All Our Health: Financial Wellbeing' HEE module, aimed at all healthcare professionals, begins to address some of this.<sup>24</sup> Still, as a resource intended for all HCPs supporting all patients, it is limited in the extent to which it covers the unique links between money and mental health. HCPs need to be supported first to understand the links between the two, so they can identify signs people are struggling and refer people to MHCBS for appropriate support.

### **Expanding MHCBS services needs to go hand-in-hand with regulatory change and budgetary increases**

We welcome MaPS's proposals to expand the MHCBS service. However, this must be done hand-in-hand with regulatory change. Specific changes we believe are needed include:

**Amend Part 3 of The Debt Respite Scheme Regulations 2020 to extend the criteria for who can sign off on mental health crisis treatment** - A range of professionals may be involved in a person's care during a mental health crisis. These professionals, such as social workers, mental health nurses based in the community or inpatient settings and occupational therapists, are well-placed to enquire about, understand and respond to patients' holistic challenges, including financial difficulties. The roles identified above are registered professions with protected titles. We propose that regulation 29 (2)(b) should be amended to include a range of other registered professionals involved in a person's care who can professionally certify that a person is receiving mental health crisis treatment. This should include registered social workers, clinical psychologists, mental health nurses and occupational therapists - who are required under the registration terms to evidence sufficient levels of continuing professional development. Opening up the range of professionals who can attest that a person is in crisis treatment (while still restricting those professions to those with regulated titles) would, with targeted promotion and training, result in greater applications to MHCBS while preserving the integrity of the scheme.

**HM Treasury (HMT) and the Department of Health and Social Care (DHSC) should work together to systematically build in an automatic offer of MHCBS to all people detained under the Mental Health Act** - As MHCBS is currently configured, HMT and DHSC are missing valuable opportunities to support people in problem debt and mental health crises. All people detained

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<sup>24</sup> Health Education England. Elearning for healthcare. All Our Health: Financial Wellbeing. November 2022

under the Mental Health Act meet the definition outlined in the regulations for receiving mental health crisis treatment. Yet, this touchpoint is not utilised by the DHSC or HMT to reach those most in need. The two departments should work together to build a systematic way of automatically offering MHCBS to all people formally detained under longer-term sections, including section 3 and forensic sections of the Mental Health Act.<sup>25</sup>

Systematically offering this intervention to people formally detained under potentially longer-term sections targets the core group of people the MHCBS 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.<sup>26</sup> Formalising the automatic offer of MHCBS to this targeted group would ensure that MHCBS supports the number of people HMT forecasts it to serve. This, coupled with our recommendation above on expanding the range of professionals who can certify a person is receiving mental health crisis treatment, would ensure that systematically offering MHCBS to all people detained under longer-term sections would not overwhelm the limited resources of the groups of professionals required to attest to a person being in crisis.

## Conclusion

The current underspend for MHCBS arises from implementation challenges rather than a lack of demand for the service. The proposals by MaPS are, in part, intended to utilise an underspend effectively while having the dual benefit of creating an enhanced and specialist service to meet the needs of people with SMI that cannot currently be met in mainstream service provision. However, with effective regulatory change, concerted action by DHSC and HMT and appropriate promotion of the MHCBS service, referrals are likely to increase significantly.

Therefore, while we welcome the proposals included in the Request for Information, there should be an increased budget to enact these new proposals while preserving the original budget for MHCBS to deliver on its forecasts. If an increased budget is not possible and while awaiting crucial regulatory change, MaPS should closely monitor the use of any enhanced service and work with HMT to increase budgets if demand for the service merits it.

The cost of living crisis, which adversely impacts many people's finances and mental health,<sup>27</sup> adds a renewed impetus to the need to address these factors in tandem. MHCBS provides a prime opportunity to do so and support people in crisis, with SMI or complex needs through ongoing financial hardship.

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<sup>25</sup> Mental Health Act 1983. Including Sections 3, 37, 41 and 47.

<sup>26</sup> NHS Digital. [Mental Health Act Statistics, Annual Figures - 2020-21](#). (Accessed: 11/04/23)

<sup>27</sup> D'Arcy, C. A tale of two crises. Money and Mental Health. 2022