Money and Mental Health's submission to the Department for Business and Trade's consultation on Smarter Regulation: Strengthening the economic regulation of the energy, water and telecoms sectors

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.[1] Unless otherwise specified, all quotes in this response are drawn directly from the Research Community.

Background

- In any given year, one in four people will experience a mental health problem which affects their cognitive and psychological functioning.[2] Over a lifetime, this proportion rises to nearly half the population.[3] 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.[4]
- 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.[5] As a result, it is estimated that people with mental health problems pay up to £1,550 more per year for essential services than people without mental health problems.[6]
- Rates of disclosure of mental health problems to essential service providers are low. Just 11% of customers with mental health problems had ever disclosed to their water company,

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[1] In particular Bond N, D'Arcy C and Lees C. Too much information?. Money and Mental Health Policy Institute. 2023; Holkar M. Time to act. Money and Mental Health Policy Institute. 2022; Bond N and D'Arcy C. State we're in. Money and Mental Health Policy Institute. 2021; Holkar M, Evans K and Langston K. Access Essentials. Money and Mental Health Policy Institute. 2018.
[2] McManus S et al. Adult psychiatric morbidity in England, 2007. Results of a household survey. NHS Information Centre for Health and Social Care. 2009.
[3] Mental Health Foundation. Fundamental facts about mental health. 2016.
[4] McManus S et al. Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey 2014. NHS Digital. 2016.
[5] Holkar M. Seeing through the fog. Money and Mental Health Policy Institute. 2017.
[6] Rogers C, Poll H and Isaksen M. The mental health premium. Citizens Advice. 2019.

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with 12% having disclosed to their energy company, 13% to a telecoms firm and 14% to their financial services provider.[7]

Question 23: What are your views on the creation of a single, multi-sector Priority Services Register?

We broadly welcome the steps being taken by the government and regulators to explore the creation of a single, multi-sector Priority Services Register. We know it can be very difficult for people with mental health problems to disclose to one essential service provider, let alone all of their providers, and any steps to make this process easier and smoother will be beneficial. However, such an initiative also presents significant risks. There are some key considerations that the government and other actors involved should place at the heart of any such project. In particular, we think that the voice of lived experience who will be affected by the proposal should be deeply involved in its development. If this is not done, there is a much higher risk of the service failing to deliver for millions of those who would most benefit from it.

That said, as the focus of our research and policy work is on people with mental health problems, we have not considered how people with different additional needs would feel about such a service. DBT should ensure the experiences of people with a wide range of conditions and disabilities are at the heart of this project.

Current issues with disclosure

Our past research has highlighted some of the difficulties people with mental health problems face when trying to access essential services and interact with their providers.[8] For example, three quarters of people with mental health problems find it very difficult to use at least one common communication channel, with the phone being a particular issue.[9] Essential service providers have a range of adjustments they can provide to make it easier for customers to access their services. For example, energy and water companies being able to send communications to third parties is of greater benefit to the many people with mental health problems who have to rely on support from their friends and family when unwell. However, accessing these adjustments is not always an easy or smooth process.

Despite the support available, rates of disclosure of additional needs to essential service providers by people with mental health problems is low. In a representative national poll of 5,000 people with mental health problems just 11% of customers with mental health problems

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[7] Bond N and D'Arcy C. The state we're in. Money and Mental Health Policy Institute. 2021.
[8] Holkar M, Evans K and Langston K. Access Essentials. Money and Mental Health Policy Institute. 2018.
[9] Ibid.

had ever disclosed to their water company, with 12% having disclosed to their energy company, 13% to a telecoms firm and 14% to their financial services provider.[10]

There are a range of factors behind this. A common reason why many people with mental health problems choose not to disclose is concern over how the information would be received. While the stigma around mental health has lessened in recent years, it still remains. Members of our Research Community have talked about fearing that they would be met with derision or a lack of understanding. In some cases, this was due to poor past experiences of disclosing. Beyond this stigma, another driving factor was the perception that doing so would not have a positive impact on them. Sometimes this was because they felt their symptoms were 'under control', but for many it was because they didn't know what support was available or didn't think companies would offer support. Finally, a crucial block to disclosing is wariness over how the information would be used. In particular, Research Community members have been worried that disclosing mental health needs could negatively affect their access to credit or other products.

"I don't feel safe disclosing that information. I feel like people treat me like I'm stupid or can't be trusted to handle my own finances rather than providing the appropriate support." Expert by experience

We have previously set out steps that essential service providers could take to make disclosing to them a better experience.[11] However, disclosing, even to a supportive provider, can be very emotionally and physically draining. Research Community members have previously described how tiring and frustrating it can be to disclose information more than once, especially within the same organisation.

People with mental health problems' views on data-sharing systems
While a universal 'tell us once' system could reduce these barriers, there are some crucial concerns that members of our Research Community have.[12] The largest concern is around their data. Members wanted to retain control over the data they shared, in particular who it was shared with and when. Furthermore, members were concerned about how the data was being stored and used. Given the sensitive nature of the data, people were worried that the information might be used for commercial purposes or would be at risk of being hacked. It was essential for members that the organisation running the system was trustworthy and there were clear and transparent guidelines in place. Finally, people wanted to know that the company they are sharing information with will actually act on this information and provide adjustments. Some

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[10] Bond N and D'Arcy C. State we're in. Money and Mental Health Policy Institute. 2021.
[11] See our disclosure guides here - https://www.moneyandmentalhealth.org/best-practice/disclosure/.
[12] Bond N, D'Arcy C and Lees C. Too much information?. Money and Mental Health Policy Institute. 2023.

members have had past experiences with providers where they didn't see any changes to the service following disclosure.

"It sounds good in theory, but I like to have control over where my information is used and is shared. I would be concerned that my information was inadvertently shared with an organisation I would prefer not to. The more organisations it is shared with, the more potential for it to go missing or go to the wrong place." Expert by experience

After considering some elements of a hypothetical system, we found that a majority of respondents said they would probably (29%) or definitely (31%) use a vulnerability data-sharing service.[13] However, while only 13% said they would probably not use the service and 6% said they would definitely not use it, another 21% answered 'don't know / not sure'. This may well be because of the uncertainty about what a service would look like in practice.

We believe that a multi-sector PSR has the potential to benefit many people with mental health problems, but there are still some concerns that need to be addressed. This is an area we will return to later in the year and want to work with the government and regulators on.

Question 24: What are the best data sources of vulnerability that the PSR should use? Who should be able to input data?

Which data sources should be used

There are a range of organisations that people with mental health problems will have disclosed to in order to receive extra support. These include financial service providers, energy suppliers and distribution networks, water companies and broadband and mobile providers. While the proportion of people who have disclosed to these providers is low, using these existing sources rather than requiring the individual to disclose again to a central system would be a better option. However, this data will have been collected for a specific reason and providers would likely need to ask the individual's consent to then share this data with other providers, either through a central system or to specific firms.

Furthermore, there are other organisations beyond essential services that people will have disclosed their mental health needs to. This includes, for example, the Department for Work and Pensions/jobcentres, local councils and health and social services. This wealth of information could be well used to provide people with the support they need. However, this adds extra complexity to the collecting and sharing of sensitive data, and the government should carefully consider what could be shared through existing data regulations and whether new rules could be introduced.

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[13] Bond N, D'Arcy C and Lees C. Too much information?. Money and Mental Health Policy Institute. 2023.

The question of determining the "best" data sources is also closely connected to what a universal PSR would actually be attempting to deliver, which we also touch upon in response to question 25. The organisations identified above will all have collected data in different ways, at different times and for different purposes. In some instances, it may be simple headline information on the condition a person has, with little detail on what that means for how a service should be delivered differently. In other cases, there may be much more information on what additional needs a person may have when interacting with the service, allowing for much greater adjustments.

Re-emphasising the important caveat above about not sharing previously collected data without explicit consent from the person, if the universal PSR has a more limited scope and ambition, it may be that basic information on a person's condition is all that is needed. However, the extent to which that would meaningfully add value for people with vulnerabilities is more questionable. For instance, when it comes to mental health problems, we have often heard how disclosures are not followed up by practical actions, offers of support or adjustments to how services are delivered. A more minimalist version of a universal PSR might be easier to create but would appear to be a missed opportunity.

If, on the other hand, a more ambitious version is envisioned, this could have a bigger and more positive impact on the experiences of those it intends to help. More detailed data on preferred communication channels, on the need for reminders or transcripts of calls, or of the requirement to speak slowly could deliver a more useful service for many people with mental health problems. At the same time, greater information brings other drawbacks. It would be a harder set of information to bring together. Widening the scope would mean more synchronisation is needed between organisations and across sectors.

Our Research Community respondents also shared how they would not want to share all information with all organisations. Achieving this would require a more complex - though far from impossible - system to keep track of which permissions a person has granted and to which organisations. But an approach that we would strongly advise against is using bases under the GDPR that allow organisations to collect and share information without receiving explicit consent from the individual. Being able to opt to not share specific pieces of information with specific organisations - and to vary this over time - will be a vital part of developing a system that people feel they can trust. A more automated system that lacks the ability for the individual to clearly understand who they are sharing what information with and for what purposes, and how they can change that, appears doomed to fail.

Clearly, these are not simple questions, which underlines why we believe that close collaboration with people with mental health problems, as well as those with other conditions, is

so vital. Progressing without carefully exploring the pros and cons of what data is provided and how it is stored and used could lead to, at one extreme, a rudimentary service that is of little value or, at the other, one that is so complex and asks for so much data that it becomes unwieldy both for individuals and organisations.

Who should be able to input the data
In terms of who should be able to input the data, Research Community members felt it was important that they had control over the data. If there was a central system that people could access, then it would be crucial that the individual is able to access the system and change what is recorded and shared with whom.

"Some organisations don't need to know certain details. I would like to have control over which organisations have access and to what information they can see." Expert by experience

We know that many people with mental health problems rely on support from friends and family or another third party when interacting with their essential service provider when unwell. Sometimes this will be through formal routes such as third party mandates or Power of Attorney. However, we know that these processes can often be too formal or restrictive for the support that people need.[14] Allowing a trusted third party to input data into a multi-sector PSR could be beneficial and allow the individual to get the support they need at a time when it is hardest for them to ask for it. However, it would be very important that there were strict rules around who could input this information to avoid any abuse.

Finally, even if there was a central place someone could input data themselves, it's still likely that many will only directly disclose to one provider at an opportune moment. It would therefore make sense for that provider to then ask if the customer would like that information to be shared with other organisations. This should include how they can access the information and change it if needed.

Question 25: What vulnerabilities and services should the PSR cater for?
As set out in our answer to question 23, we know that many people with mental health problems can struggle to access essential services. However, our research has also highlighted the wider link between mental health problems and financial difficulty. For example, people with mental health problems are more likely to be on lower incomes[15] and be in problem debt.[16]

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[14] Bond N, Evans K and Holkar M. A little help from my friends: tools to support financial decision-making for people with mental health problems. The Money and Mental Health Policy Institute. 2019; Murray N. Strength in numbers. Money and Mental Health Policy Institute. 2016.
[15] Bond N and D'Arcy C. Mind the Income Gap: How work and social security shape the incomes of people with mental health problems. The Money and Mental Health Policy Institute. September 2020.
[16] Holkar M. Debt and mental health: A statistical update. Money and Mental Health Policy Institute. 2019.

Acknowledging the challenges raised in our response to question 24, building a multi-sector PSR that would not provide support for these issues and focused on support in emergency situations would be a missed opportunity.

As part of our recent research, we asked our Research Community about their experiences of being on Priority Services Registers in the water and energy sectors.[17] Nearly two-thirds (64%) of respondents are now or have ever been registered on a PSR. Among those, 47% said being on a PSR had had a positive impact on them, while only 5% said it had had a negative impact. Respondents mainly talked about the positives as being sent communications about supply issues, with some mentioning access adjustments. However, nearly half (48%) said that being on a PSR hadn't had a positive or negative impact for them. PSRs have traditionally focused more on supporting customers in emergency situations. While this would be beneficial to some people with mental health problems, there are wider issues with how people access services, which is only partly being served through the PSRs. For example, whether the customer has a preferred communication channel or a channel that they cannot use. Customers will have also disclosed to financial service providers which don't use PSRs but have their own internal systems. There will be some key adjustments that cut across different sectors, such as communication channels and third party support.

Our past research has highlighted that many people with mental health problems can find themselves either in financial difficulty or at risk of it. Again, there is a range of financial support available to people from the government, suppliers and charities. But often people aren't aware of this support. As the government acknowledges later in the consultation document, awareness and takeup of social tariffs in the telecoms and water markets is disappointingly low. While there can be similarities in the eligibility of these schemes, who can apply and how differs across sectors and even within sectors. As with disclosing mental health needs, accessing this financial support is often left to the individual and can be a very difficult process to access one let alone all. The work on the multi-sector PSR could provide an opportunity to ensure those who are eligible for support are receiving it.

Finally, there is a debate as to whether any system should record information on the vulnerability, such as a mental health condition, the support need, for example simple communications, or both. Our Research Community has had diverse thoughts on this question. Some think it is unnecessary for any provider to know about their mental health problem and the main thing is the support they need. However, others feel that the cause of the need is essential information for companies to best understand why someone might need that support. Information about someone's health is classed as special category data which adds extra elements to a potential cross-sector PSR.

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[17] Bond N, D'Arcy C and Lees C. Too much information?. Money and Mental Health Policy Institute. 2023.

Question 26: How can existing affordability support be better communicated to increase customer awareness?

We echo the views expressed in the consultation document about the need to raise awareness of the existing affordability support in our current economic circumstances. Additionally we support the proposal for UKRN to convene the cross-sector work for greater consistency in communications.

While there is a range of support available to people to support them with their finances and to access essential services, awareness is low, there is too much variation in what the schemes are called, who is eligible and how people can apply. For anyone, navigating this support maze can be very difficult. Adding on the symptoms of mental health problems, this task can become almost impossible. There is a role for advice and consumer organisations to raise awareness of these schemes and to explain how people can access them. Additionally regulators and the government can play a crucial role. The *Help for Households* website and associated adverts were a good step in raising awareness of support during the cost of living crisis. However, most people do not get their information from regulators and instead there are two key players in this: individual firms and the DWP.

Firstly, many of these support schemes are accessible through service providers, such as social tariffs. However, our past research has highlighted that firms are not doing a good job at either raising awareness of support or asking customers if they need support.[18] Fewer than three in ten people with mental health problems who are protected under the Equality Act (28%) report that most of their providers have let them know about the additional support they can offer to customers with mental health problems. Just one in three (32%) people with mental health problems who are protected under the Equality Act report that most of their providers have asked if they have any needs they should be aware of. Providers need to be better at proactively letting customers know about the support on offer and using key moments to ask if customers need such support. For example, when someone discloses they have a mental health problem, staff should ask if they need support with their bills as well as accessing the service.

Secondly, many of the schemes are only eligible for those on benefits, including Universal Credit. The DWP is the best-placed organisation to make use of the information it holds on who this is and who would likely benefit. Just as with firms, the DWP needs to be better at identifying who is eligible and proactively letting them know about the support, as well as raising awareness during routine interactions with claimants.

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[18] Holkar M. Time to Act. Money and Mental Health Policy Institute. 2022.

While it is important to raise awareness, an issue still remains around actually accessing the support. There should be more help for people to go through these processes but the process should also be made easier across sectors. As we set out in our response to question 25, the cross-sector PSR work provides an opportunity to match people up with the support that they are eligible for.

Question 31: What are key benefits of this approach? What might any risks or unintended consequences be?

We believe that it is essential that, in the review of regulator duties, protecting consumers remains *the* key duty for all regulators. Focusing more on duties like competition risks regulators and companies taking approaches that are in direct opposition to consumers in the market.