

Access to debt advice: the needs of people with serious mental health problems

Executive Summary

- Mainstream debt advice services are ill-suited to the needs of people with severe mental illness and in crisis (SMI).
- Common symptoms of SMI can mean people are at serious risk of financial harm when acutely unwell. Yet, these symptoms can make accessing and engaging with mainstream debt advice impossible.
- A trio of challenges, including shame and hopelessness, capability limitations, and simply being too unwell, mean that people with SMI need a service that understands how mental health problems can impact their capabilities and services that are tailored to their needs.
- As a priority, HMT and MaPS should invest in a specialist mental health and debt advice service targeted at people with SMI and in crisis. This service should be designed and delivered around the needs of people with SMI and
 - Offer support proactively and reach out to people with SMI
 - Deliver the service (remotely and in-person) where people with SMI are - in psychiatric hospitals and Community Mental Health services
 - Equip advisors with the training to understand how SMI can impact people's capabilities
 - Offer casework as standard and tailor tasks to people's capabilities
 - Train advisors to deliver welfare rights support in tandem with debt advice
 - Design a Quality Assurance framework around the needs of people with SMI
- As outlined in this briefing, a specialist service should be ring-fenced for people with SMI or in crisis. This would ensure the needs of people with SMI in accessing debt advice are catered for and go a long way to ensuring those most at risk of harm to their finances and mental health are supported.

Introduction

Debt advice can be a lifeline to millions of people each year. Yet, for almost half (46%) of people in problem debt who have a mental health problem,¹ accessing debt advice can present a significant challenge.² For people with serious mental health problems - such as bipolar, psychosis, schizophrenia, personality disorder, or those in an acute phase of their mental illness or in crisis (SMI) - those challenges can be magnified.

In this briefing, we present new evidence on how people with SMI can face more significant difficulties in accessing debt advice. To inform this, we share new insights from research with 193 people with SMI, seven in ten (69%) of who have been acutely unwell and received support from secondary mental health services, such as a Community Mental Health Team (CMHT) or a psychiatric hospital.³

Experiencing serious mental health problems can severely impact a person's ability to access and engage with debt advice services

An acute episode of serious mental health problems or crisis (SMI) is when a person experiences a severe period of distress or altered reality, where cognitive capacity may fluctuate, and their psychological or emotional state can reduce their capabilities to cope. Against this backdrop, people can experience financial harm.⁴ Incomes can fall over - wages may stop, benefit sanctions can be applied - and direct debits may bounce, incurring charges and lasting consequences.⁵

At this crucial point, people with SMI need urgent support with their finances. Yet, precisely when people need debt advice, they can face significant challenges in accessing it. These challenges are three-fold:

- Firstly, common symptoms of mental health problems, such as difficulties communicating, impaired clarity of thought, and reduced concentration or problem-solving skills, can be more pronounced for people with SMI or in crisis, often making it impossible to reach out and engage with debt advice services.
- Secondly, the way mainstream debt advice services are delivered, the communication channels used, and the style of delivery can serve as a significant and sometimes insurmountable barrier to accessing advice for people in crisis or with SMI.⁶

¹ Money and Mental Health. The facts. Accessed: 19/10/22.

² Bond, N. and Holkar, M. Help Along the Way. Money and Mental Health Policy Institute. 2020.

³ This briefing is also informed by our existing body of research, specifically, Help along the way, which considers the challenges people with mental health problems face in accessing debt advice. Not a Secondary Issue, which examines the extent to which people in secondary mental health care face financial difficulty, and Recovery Space, which explores how services can minimise the financial harm caused by mental health crises.

⁴ Bond, N and Preece G. Not a secondary issue. Money and Mental Health Policy Institute. 2022.

⁵ Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018..

⁶ Bond, N. and Holkar, M. Help Along the Way. Money and Mental Health Policy Institute. 2020.blem. Some people will

- Thirdly, limitations to how the specialist service - Mental Health Crisis Breathing Space (MHCBS) - is implemented means it has failed to reach the number of people in crisis it was intended to serve and remains underutilised.⁷ This is not a reflection of the level of need for the service,⁸ but is indicative of challenges in how people are required to access the service.⁹

All people with mental health problems can face these challenges to accessing and engaging with debt advice. However, for people with SMI, the challenges can be more pronounced, and instead of presenting a hurdle to overcome, they can prove impossible. This can result in people with SMI being unable to access the debt advice they so desperately need.

Mainstream debt advice services are ill-suited to the needs of people with SMI

Beyond these issues potentially affecting millions of people with mental health problems, we have identified three additional challenges that people with SMI face in accessing the current provision of debt advice. Unfortunately, these barriers can compound and mean for many people with SMI; mainstream debt advice fails to cater for their needs.

A toxic combination of shame and hopelessness

Stigma and shame around problem debt is widely recognised as a barrier to seeking timely debt advice for people with mental health problems.¹⁰ Yet our research found that the hopelessness that can accompany SMI often meant people considered it futile to try to resolve their problem debt.

"I experienced a severe crisis in my mental health... I was in serious debt, but the only solution I considered was suicide." Expert by experience

For others, feelings of worthlessness and self-recrimination meant they felt undeserving of help to resolve their difficulties, and the perpetual challenges they faced with problem debts were evidence of their low worth. People described how seeking help required an underlying feeling that they were deserving of that help. Without that, the simple act of looking for debt advice was often impossible.

⁷ HMT forecast the number of people entering the scheme would be 27,500 in 2021-22; this fell significantly short, with just 1,012 entrances to the scheme in the first twelve months.

⁸ Bond, N. Braverman, R. and Clarke, T. Recovery Space. Money and Mental Health Policy Institute. 2018.

⁹ Submission to HM Treasury's Statutory Debt Repayment Plan Consultation. July 2022. Money and Mental Health Policy Institute.

¹⁰ Bond, N. and Holkar, M. Help Along the Way. Money and Mental Health Policy Institute. 2020.

People with SMI or in crisis can be simply too unwell to look for debt advice

The experience of a mental health crisis or an acute period of SMI can erode a person's capabilities to cope or complete everyday tasks. Seemingly simple acts such as having a shower or cooking a meal can be overwhelming.

"When a mental health crisis occurs, you don't have the motivation/logical/rational thinking ability to seek advice." Expert by experience

Mainstream debt advice requires people to have the capability to seek out support. This can include searching websites for an appropriate advice provider and navigating a narrow range of communication channels to receive advice. However, faced with too many providers to choose from, people with SMI find it hard to know where to turn.

Mainstream debt 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

Even if a client with SMI has been able to find and approach a debt advice provider, they are then required to complete a complex set of steps. These steps can include presenting information about their financial circumstances - incomings, outgoings, and debts owed, remaining focused and concentrating for lengthy advice sessions, digesting vast amounts of information, making a choice about how to proceed and completing tasks to execute their plan.

"The questions I was asked, e.g. budget, were just too difficult to get answers for. It meant checking old bank statements, finding other account statements online and was simply too difficult to fulfil." Expert by experience

These steps can be beyond the capabilities of many people with SMI or who are acutely unwell, meaning they disengage from the process.

The debt advice service people with serious mental health problems want

In understanding the challenges that people with SMI can face in accessing debt advice services, we can begin to consider what a good debt advice service for people with SMI would look like. Overwhelmingly, 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.¹¹

We asked respondents what support they would most want from a debt advice service when acutely unwell with mental health problems. Unsurprisingly, there was an

¹¹ Money and Mental Health survey of 200 people. Base for this question: 193.

overwhelming demand for all types of support. Advice on better ways to manage money (97%) was closely followed by advisors with a good understanding of mental health problems (94%).¹²

We asked respondents to rank the support they would most want a specialist mental health debt advice service to provide in order of priority. Of the respondents' top three priorities, over half (56%) prioritised advisors with a sound understanding of how mental health problems can affect financial management and an ability to tailor their advice and approach accordingly.¹³

"They [a specialist service] would understand my barriers are different to someone without mental health [problems], they would be aware to ask questions to find out what barriers I had where mainstream may not know about certain barriers/issues that could be key. People can give simplistic advice to a person with mental health problems, who may have a lot of knowledge academically so can get stuff mentally quickly but struggle emotionally." Expert by experience

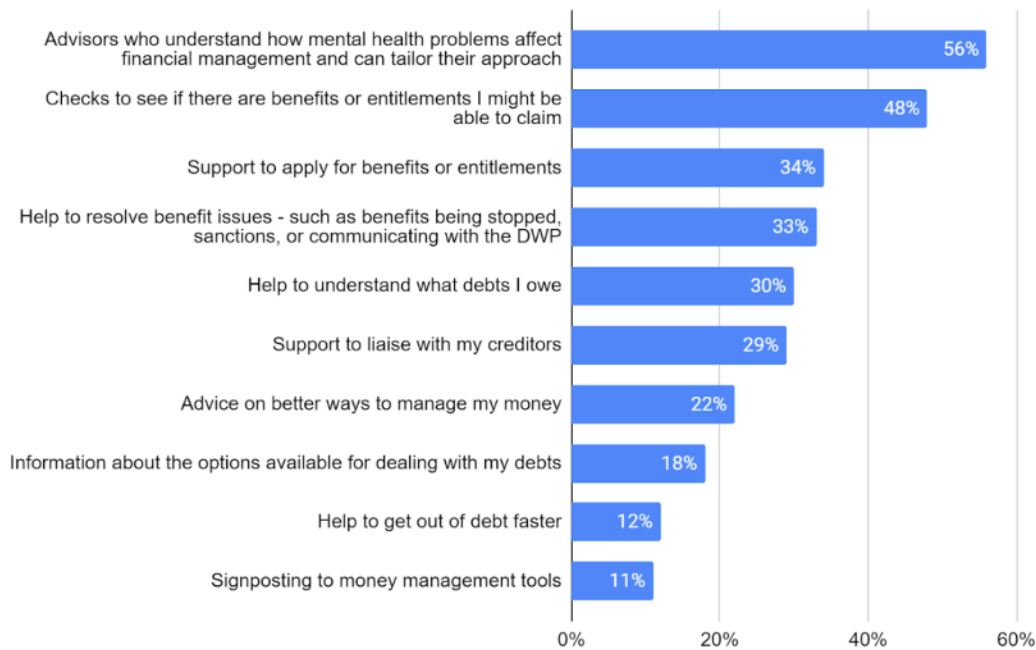
This understanding of mental health problems and a tailored approach was closely followed in popularity by welfare rights support. Just under half of respondents (48%) reported one of their top three priorities would be for a debt advice service that routinely provides benefit checks to see if people are in receipt of their correct entitlements. A third of respondents (34%) reported that one of their top three priorities was support to apply for benefits, and 33% prioritised support to resolve benefit issues, such as sanctions and communications with DWP.¹⁴

¹² Money and Mental Health survey of 200 people. Base for this question: 196.

¹³ Money and Mental Health survey of 200 people. Base for this question: 196.

¹⁴ Money and Mental Health survey of 200 people. Base for this question: 196.

Figure 1: The top three priorities for support that people with experience of SMI would want from a specialist mental health debt advice service when they are acutely unwell



Source: Money and Mental Health survey. Base for this question 196 people with experience of SMI.

The prominence of welfare rights work in respondents' priorities is of particular interest and points to the challenges of navigating the benefits system and the problems with benefits falling over when people are unwell.¹⁵ While still important, only one in eight (12%) respondents ranked help to get out of debt faster as one of their top three priorities.¹⁶ This potentially points to people's focus when unwell on simply trying to survive rather than a longer-term vision.

"[I was] too suicidal to care [about my debts or look for help]." Expert by experience

While the drivers of suicidality are many and varied, financial difficulties can be an important factor in suicide. People in problem debt are three times more likely to have thought about suicide in the past year than those without problem debt.¹⁷ A specialist debt advice service is best placed to understand the challenges people with SMI face in looking towards a future and, as mental health services already do well, 'hold hope' for people about their future when they cannot. This is done, for example, by persevering in supporting clients to address their problem debts. This, in turn, supports people in recovery from their mental illness.

¹⁵ Money and Mental Health survey of 200 people. Base for this question: 196.

¹⁶ Bond, N. Braverman, R. and Evans, K. The Benefits Assault Course. Money and Mental Health Policy Institute. 2019

¹⁷ Money and Mental Health survey of 200 people. Base for this question: 196.

The debt advice needs of people with SMI are complex and require a specialist service with an understanding of SMI and specific skills to tailor their approach to a person's mental health needs. As they are currently configured, mainstream debt advice services are ill-equipped to deliver the level of support that people with SMI needs. HMT and MaPS should invest in a specialist mental health and money advice service that is targeted at people with SMI and in crisis.

What would a good mental health specialist debt advice service look like for people with serious mental health problems?

We now turn to consider what a good mental health specialist debt advice service would look like. People with SMI told us they needed specialist advice services designed around their needs. The six recommendations below on how services should be designed and delivered have an understanding of SMI at the heart.

1. Offer support proactively

Specialist advice services should offer support proactively. For people whose SMI impacts their day-to-day functioning, engaging with debt advice as it is currently configured is largely impossible.

"I have severe depression. I keep forgetting to follow up [with debt advice] and fall through the cracks. I severely need help." Expert by experience

This means that people are left in the difficult position of waiting until they're in a period of recovery when they can manage the complex task of accessing debt advice. During this time, finances are often left to flounder, and problem debts mount. People with experience of specialist mental health debt advice services told us how these services did not wait for them to ask for help. Instead, they proactively advertised their services in places where people with SMI were, such as hospital wards, recovery colleges or CMHTs.

"These services need to be actively looking for people who might benefit from what they have to offer in partnership and working directly with mental health services to form an umbrella assessment of a person's overall needs at that time." Expert by experience

2. Deliver support where people are at and understand how their mental health problems impact their ability to engage consistently

People with SMI require services to be delivered where they are. This might be in their homes, psychiatric wards, CMHTs, or recovery colleges.

"They advised me on my benefits situation when I was an inpatient. They visited me on the ward in a private room, asked about my situation and advised me. They were non-judgmental and explained clearly." Expert by experience

While this may, in some circumstances, be best delivered in person, a tailored approach to remote delivery may work for many people in crisis. When providing services remotely to people with SMI or in crisis, services must address barriers people can face around access to computers and phones in hospital or fears around answering telephone calls when unwell.

People told us how specialist services, remote or community-based, proactively and repeatedly tried to engage with them, demonstrating perseverance and tenacity in supporting people to achieve the right outcomes. These services need to understand how people's ability to engage can fluctuate with the symptoms of their mental illness or medication.

3. Advisor expertise relating to mental health

Understanding the needs of people with SMI should be threaded through how advisors deliver and adapt their service to people's needs. People with SMI need specialist advisors who understand how mental health problems impact their capabilities.

"A standard debt adviser has no knowledge of mental health problems, so explaining why I can't do things is very hard and more than I'm sometimes capable of." Expert by experience

"With an ordinary service, they don't understand how things have happened and why you have made what seem to them illogical choices. They can become irritated when you find it difficult to understand because your brain is muddled. Worse, they assume you understand, which you would if you were well, but not when you are ill." Expert by experience

4. Specialist welfare rights knowledge

Advisor expertise around welfare rights was highly valued by people with experience of SMI. They described how advisors' detailed knowledge of welfare rights, including how to complete benefit applications, was pivotal to their experience and achieving a positive outcome.

People with SMI are more likely to receive benefits, with more than one in five people with severe anxiety or depression (21%) in receipt of ESA.¹⁸ Given how benefits are targeted at people with a disability or health condition, debt advisors must have specialist knowledge of disability benefits.

Specialist welfare rights expertise cannot be separated from debt advice knowledge, as for people with SMI, the two problems are inextricably linked. We know the needs of people with SMI mean people can struggle to act on signposting, and the task itself of simply reaching out for support is often beyond their capabilities while acutely unwell.

¹⁸ NatCen analysis of NHS Digital, Adult Psychiatric Morbidity Survey, 2014. Covers England only.

For people with SMI, it is insufficient for a specialist debt advice service to require advisors to signpost clients to welfare rights and income maximisation services. Instead, these services must be delivered in tandem with debt advice.

5. Casework and tailoring tasks required of people according to their capabilities

Advisors with a sound knowledge of the impact of mental health problems on people's capabilities meant they could tailor tasks according to their abilities. This requires knowledge of the effects of mental health problems alongside knowledge of the capabilities of the person they're supporting. Effective advisors can strike the right balance between empowering clients to complete small and, sometimes, stretching tasks within their capabilities while also understanding which tasks may prove too much and need to be completed by advisors themselves. People described how they wanted advisors to take action, such as liaising with creditors or completing forms on their behalf when they could not do so themselves.

6. Freedom from metrics and a Quality Assurance framework designed around the needs of people with SMI

Respondents described how they highly valued advisors who were patient and extended the duration of support.

"You are forced to do budgets in one go and make financial decisions without enough time to process or think. One-hour sessions or longer need to be broken down into more manageable chunks of 15-30min depending on stress levels." Expert by experience

"It would be helpful for them to offer longer appointments, so you don't feel like you're being rushed as this creates more anxiety." Expert by experience

To do this, advisors need the flexibility to adapt their approach accordingly, free from performance indicators and Quality Assurance processes designed around the needs of people with SMI.

Conclusion

The problems we've identified above mean mainstream debt advice services currently under-serve people with SMI. Upskilling the entire debt advice sector, while beneficial, may prove ineffective in targeting a tailor-made package of support for people with SMI. Our proposals for what a specialist mental health debt advice service should look like would ensure that resource-intensive services are ring-fenced for those with SMI who are most at risk of harm - to their finances and mental health.

