

Money and Mental Health response to the Department of Health and Social Care consultation “Community Mental Health Services”

What does high-quality care look like for adults with severe mental illness and their families/carers?

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, as well as our wider body of research.

Money and mental health problems are extremely widespread and can greatly impact someone’s mental healthcare journey, including recovery. We know that:

- Around half (46%) of people in problem debt have a mental health problem.¹
- Almost one in five (18%) people with mental health problems are in problem debt.
- Financial difficulty drastically reduces recovery rates for common mental health conditions. People with depression and problem debt are 4.2 times more likely to still have depression 18 months later than people without financial difficulty.²

The way in which someone’s money and mental health problems interact can form a vicious cycle, where people with mental health problems can find it harder to both earn and manage money, making them more likely to experience financial difficulty. And, in turn, the stress and strain of financial difficulty can impact negatively on our mental health.

People receiving support from Community Mental Health services often have complex needs which need to be supported holistically in order to provide high-quality care. For those receiving this care, who are possibly too unwell to keep themselves safe, finances are understandably often the last thing on their minds. But that doesn’t stop bills needing to be paid, debts mounting and collections activity escalating.

Indeed, help with your finances can often become even *more* vital when someone is unwell. During a period of poor mental health, the combination of fluctuating cognitive capacity, and typically being too unwell to work, keep up with benefit claims, or juggle bills, can put people at risk of a range of financial problems. Our research has shown that nearly seven in ten (68%) people experience a drop in income while receiving support from secondary services.³

¹ Holkar M. Mental health problems and financial difficulty. Money and Mental Health Policy Institute. 2019. Derived from Adult Psychiatric Morbidity Survey 2014: covers England only.

² Skapinakis P, Weich S, Lewis G, et al. Socio-economic position and common mental disorders: Longitudinal study in the general population in the UK. British Journal of Psychiatry 2006; 189: 109-117. Derived from Adult Psychiatric Morbidity Survey 2000 and follow-up, covering Great Britain.

³ Bond, N. and Preece, G. Not a Secondary Issue: Preventing and resolving financial difficulties for people in secondary mental health care. Money and Mental Health Policy Institute. 2021.

“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 anyway out of the mess I was in.” Expert by experience

As such, high-quality community mental health care for adults living with a severe mental illness (SMI), therefore, must offer support for those struggling with their finances. This is already reflected in the Community Mental Health Framework, which recognises that community-based efforts must effectively address the wide-ranging needs of people with mental health problems, including through providing help and advice on finances, benefits, housing, employment, and more.⁴

However, existing efforts to address the links between money and mental health problems in community mental health services are patchy, and a systemic process to routinely tackle this widespread issue is still lacking.

Embedding an understanding of the vital role that financial matters can play in recovery throughout Community Mental Health services, and making support with finances readily available for all, offers a huge opportunity, both to prevent and resolve money and mental health problems.

In practice, this would entail embedding a routine enquiry into whether someone is experiencing financial difficulty into community mental health services, with financial difficulty being regularly asked about as part of care and treatment planning. This would stop people with financial problems falling through the gaps and spiralling into further debt, and, in turn, exacerbating their mental health problem.

“At the time I’m not sure I saw the pattern of spending was associated to my poor mental health so probing from them might have revealed that.” Expert by experience⁵

Crucially, this does not mean asking busy healthcare professionals to support people with their money in a way that they are not trained or intended to do. Rather, this is a case of empowering them to simply identify those in need and transfer them to the relevant welfare advisor in their service, so that healthcare professionals can focus on medical care.

“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 experience⁶

⁴ NHS. The Community Mental Health Framework for Adults and Older Adults. 2019. p.10.

⁵ Clarke, T. Whose job is it anyway? How mental health practitioners help navigate financial difficulty. Money and Mental Health Policy Institute. 2017.

⁶ Bond, N and Preece, G. Not a Secondary Issue: Preventing and resolving financial difficulties for people in secondary mental health care. Money and Mental Health Policy Institute. 2022.

To facilitate this, and acknowledging the fact that people with mental health problems can find it more difficult than those without such conditions to access money guidance and debt advice, NHSE should:

- fund physically co-located debt advisors in community mental health teams
- develop outreach debt advisors visiting services
- train '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
- work to tackle low levels of awareness of Mental Health Crisis Breathing Space among secondary mental health staff, so that those who are experiencing acute mental ill health are supported to access a vital respite from the burden of debt.

How could the service user journey be improved both within community mental health services and in accessing support provided by other services/agencies?

While the above answer looked towards what better care could look like, there are key steps required to make this a reality. When it comes to improving the patient journey, both within community mental health services and more broadly through community support services, we recommend that:

1. **Everyone using mental health services is asked about their financial situation, and referred to money advice if they need it** - Money and mental health problems are deeply connected, but how support services respond to them isn't. A lack of joined-up support is leaving many people at risk of facing entrenched, long-term difficulties with their mental health and finances. There should be routine enquiry into the financial situation of service users included in assessments and care and treatment plans.
2. **Everyone receiving support from secondary mental health services should have a statutory right to request an advance choice document, and should be supported to make one.** Advance choice documents (ACDs) are a preventative tool to enable those at risk of being detained or experiencing significantly reduced mental capacity to express their personal preferences for care and treatment preferences in the event that they experience a mental health crisis. This might cover objections to certain treatments, or what needs to be done to look after dependents or pets, for example. But it can also provide an opportunity for people to protect themselves from financial harm by putting in place planning and support for when they are unwell.
3. **Advance choice documents should include financial matters as a specific section in the standard template format, to ensure that taking an individual's financial situation into account is embedded in the treatment process.** Aligning

with the increasing focus across secondary healthcare services on the importance of holistic and preventative support, and combined with the evidence of the financial devastation that can be caused by mental health crises, we suggest that financial matters should be included as a specific section in the standard ACD template format.

This should include explicit prompts which encourage people to reflect on and stipulate their preferences around finances, such as how priority bills will be paid, preferences around access to credit, and advance planning to identify and empower a third party to manage their finances on their behalf, such as a Lasting Power of Attorney, or third-party mandate with their financial service provider. In addition to this, people should be able to access the support of a trained, independent person to develop their ACD.

By including a systematic consideration of finances in ACDs and offering explicit prompts, people can be supported to have greater control and choice, setting out key preventative measures to safeguard themselves from the financial harm that can be caused by, and also exacerbate, mental health crises.

4. **NHSE should work to improve awareness of Mental Health Crisis Breathing Space among staff working in mental health settings, including those playing a role in someone's community mental health team, so that those who are experiencing acute mental ill health are supported to access a vital respite from the burden of debt.** This is a vital tool that can protect people in a mental health crisis from the impacts of problem debt, by pausing enforcement action and contact from creditors, and freezing interest and charges on any debts. If an Approved Mental Health Practitioner certifies that a person is receiving mental health crisis treatment, these protections are provided for as long as the treatment lasts, plus another 30 days. This ensures that people are afforded the time and space they need to focus on recovery, without having to worry about debts piling up or collection action. However, despite the Treasury anticipating that 27,000 people would use the scheme in its first year,⁷ the most recent figures, for November 2024, show that only 4,404 have accessed it in total.⁸ This underutilisation is, in large part, due to many healthcare professionals simply not knowing it exists, and not a lack of demand or need.⁹

⁷ HM Treasury. Breathing Space Impact Assessment. 2019.

⁸ Gov.uk. Individual Insolvency Statistics. November 2024. (Accessed: 08/01/25)

⁹ Bond, N. Bridging the gap: The untapped potential of Mental Health Crisis Breathing Space. Money and Mental Health Policy Institute. 2024.