



Mental Health and Money

Guidance for supporting
customers



HM Government



Money &
Pensions
Service



Introduction

Living with a mental health problem can make it more difficult to interact with and manage money, including payments to financial services providers, public sector creditors and utility providers. With 1 in 4 of us experiencing a mental health problem each year¹, this equates to 25% of your customers potentially struggling with their mental health.

In 2020, the Money & Pensions Service (MaPS) brought together a range of experts in the field of mental health and money to challenge our thinking and make recommendations as to what we should do to support people across the UK who may be struggling with both their mental health and money. This 'Challenge Group' told us that there was a need to produce broad guidance for supporting customers with mental health difficulties for all creditors in financial services, utilities and the public sector.

However, we also know that there is a lot of information out there about what organisations should do to best support their customers, and it may be difficult to know where to start.

As set out in our UK Strategy for Financial Wellbeing and accompanying Delivery Plans, we have developed this evidence-based Best Practice Guidance document with input from the Money and Mental Health Policy Institute. It sets out six key areas where you can focus your attention, why it is needed and what you can practically do to make a difference. It also provides you with suggestions as to where you can find more detail about a particular initiative, and in some cases where you can get practical support to embed it within your organisation.

This guide is supported by the following organisations:



¹ [Adult Psychiatric Morbidity in England - 2007, Results of a household survey - NHS Digital](#)



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1. Equipping staff to help



Why it's needed

People with lived experience of mental health problems told us that they need more empathy from customer service teams, that stigma around talking about mental health should be reduced and customer service improved.²

Best practice

Train staff so they are more aware of mental health problems and their impact on customer situations and needs, so they are better equipped to support customers.

Putting it into practice

- Provide information and guidance resources on staff intranet/learning hubs.
- Nominate a customer mental health champion to promote resources and coordinate good practice initiatives.
- Implement referral strategies to specialist mental health support services and ensure customers are aware of the option for this referral when engaging with staff.
- Have controls in place such as updating Quality Assurance processes.

Where to find more information and support

Training for creditor organisations around mental health is available from;

- [The Money Advice Trust](#)
- [The Access Group](#)

[The Mental Health & Money Advice Service](#)

provides advice and casework on money and debt for people experiencing both mental health and money problems. They operate on a partnership agency referral only basis.

The [Hub of Hope](#) is a directory of both national and local mental health support services and could be used to find organisations who you may be able to partner with and refer customers to.

Members of Money and Mental Health Policy Institute's [Professional Network](#) receive regular updates on new research, exclusive events and best practice on supporting customers with mental health problems.

How this supports compliance for FCA regulated firms

Equipping staff to help will also support firms' compliance with requirements under the Consumer Support outcome of the Consumer Duty. See Chapter 9 of the [Consumer Duty Guidance FG22/5](#), for more information.

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.

² MaPS Mental Health Challenge Group Lived Experience Survey, conducted by Money & Mental Health Policy Institute 2020



2. Supporting customers in financial difficulty

Why it's needed

50% of people in problem debt experience a mental health problem.³

People in problem debt are three times more likely to think about suicide.⁴

Best practice

- Treat customers with mental health problems who fall behind on payments fairly in line with regulatory expectations and guidance where relevant.
- Offer appropriate support and patience for consumers experiencing financial difficulty.
- Ensure collections practices do not cause psychological distress to customers with mental health problems.
- Proactively refer customers with mental health problems to external sources of guidance and support for both their mental health and money issues, when required.

Putting it into practice

- Be flexible with customers who are struggling to pay and match repayment options with customers' individual circumstances.
- Support payment proposals by debt advisers and customers where the Standard Financial Statement (or Common Financial Tool in Scotland) has been used.

- Be clear about what evidence you may need to support the customer and have processes in place to sensitively handle that data.
- Consider whether the evidence you require about someone's mental health is proportionate and takes in to account the difficulties someone who is struggling with their mental health may experience in gathering that evidence.
- Ensure case handlers are empowered to proactively offer forbearance wherever appropriate.
- Proactively use data to identify and support people at risk of financial difficulty.
- Draw on and comply with relevant regulatory requirements and guidance issued by the FCA, Ofgem, Ofwat, Ofcom or for Local Authorities the relevant Safeguarding obligations.
- Ensure that suppliers of debt collection services and debt purchasers, also follow this guidance.
- Signpost customers identified as needing support with non-financial issues to appropriate external sources of help.
- Pro-actively refer customers in arrears to sources of independent debt advice.
- Refer customers with money worries (but not yet missed payments) to sources of money guidance, such as Moneyhelper.org.uk.

³ [Money and mental health facts and statistics - A Money and Mental Health Policy Institute factsheet](#)

⁴ [Money and mental health facts and statistics - A Money and Mental Health Policy Institute factsheet](#)

- You may find some of your customers being entered into Breathing Space by a debt adviser. Breathing Space is a policy which aims to create time and space for people to get help they need without having to worry about their financial situation getting worse. If your customer is entered into Breathing Space, follow the government guidance on this policy and do what you can to help their debt adviser support them.

Where to find more information and support

[The Need to Know](#)- Guidance from Money Advice Trust and Money and Mental Health Policy Institute about asking for evidence of a mental health condition.

[Best Practice Guides](#) from the Money and Mental Health Policy Institute aimed at financial services, telecoms, energy and water suppliers and social landlords.

For Energy suppliers, [OFGEM's guidance for supporting vulnerable customers](#) is a key source.

Citizens Advice Scotland have produced a [guidance document](#) for creditors working with customers experiencing both mental health and money problems which includes a useful tool to create an action plan to improve practice.

The [Hub of Hope](#) is a directory of both national and local mental health support services.

[MoneyHelper](#) provides free, independent money guidance, online and over the telephone.

The [Debt Advice Locator Tool](#) from MoneyHelper lists free, independent debt advice services.

How this supports compliance for FCA regulated firms

Customers dealing with mental health problems in financial difficulty are at increased risk of harm, so supporting customers in financial difficulty will help firms to meet the requirement under the Consumer Duty to avoid causing foreseeable harm. See Chapter 5 of the guidance for more information.

Guidance sets out that firms may do this by 'providing additional support or updating information or advice' that better relates to their circumstances and 'where appropriate, adapt their current debt management plan'.

Note: this does not require firms without advice permissions to provide advice and customers should be referred to external sources of advice where appropriate.

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.



3. Product and service design



Why it's needed

The symptoms of mental health problems can make choosing, using, and paying for essential services harder.⁵

Best practice

Embed 'accessibility by design' principles in all aspects of product and service development and delivery, including communications strategies.

Putting it into practice

- Involve customers with lived experience of mental health problems in co-designing and testing services, systems, and products.
- Carry out regular reviews into the distribution and delivery of products to the market to ensure the product is reaching consumers with the identified needs and characteristics. Similarly, when withdrawing a service, review whether this may result in any harms to vulnerable groups.
- For organisations regulated by the FCA, draw on and comply with relevant regulatory requirements and guidance issued by the FCA.

Where to find more information and support

[Guidance from the Money Advice](#)

[Trust and Fair By Design](#) on how to embed 'accessibility by design' into your products and services.

The Money and Mental Health Policy Institute [offers a range of consultancy options](#) which can support essential services providers in considering customers living with mental health problems when designing products and services.

How this supports compliance for FCA regulated firms

This will also support firms' compliance with the products and services outcome under [Consumer Duty Guidance FG22/5](#), Chapter 6. This requires manufacturers of products and services to 'consider the needs of customers with characteristics of vulnerability in its target market'. FCA guidance on the fair treatment of vulnerable customers which should be read in accordance with Consumer Duty Guidance also suggests that firms may wish to 'hold focus groups with customers with characteristics of vulnerability or consumer representatives at the development stage to get a greater understanding of their needs and how products can meet them.'

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.

⁵ [Access essentials - Money and Mental Health](#)



4. Communicate supportively and accessibly



Why it's needed

People living with mental health problems can find it difficult to manage their accounts, communicate via commonly used communication channels (e.g., telephone), receive and understand information and deal with problems.⁶

Best practice

- Make it easy for customers with mental health problems to contact you to access information and support.
- Present clear, jargon free information explaining credit agreements, contracts or bills in a way that makes it as easy as possible for the customer to understand.
- Explore options for a vulnerability policy and adjustments you can make for vulnerable customers who may prefer certain forms of communication.

Putting it into practice

- Offer the maximum number of available routes to accessing your services: in-person, telephone, email, webchat.
- Let customers know if you operate a vulnerability policy and if so, any evidentiary information you may require noting their mental health situation.
- Consider whether the evidence you require about someone's mental health is proportionate and takes in to account the difficulties someone who is struggling with their mental health may experience in gathering that evidence.
- Record customers' communication preferences and try to stick to them.
- Enable customers to switch channels (e.g., webchat to telephone) as required during the customer interaction.
- Increase webchat capacity and the range of topics you can tackle through webchat.
- Offer call backs.
- Ensure your website is easy to understand and navigate and make availability of specialist support services prominent.
- Ensure you have procedures in place to check that customers understand their credit agreements, contracts or bills and feel able to make payments in a sustainable manner.

⁶ [MMH-Time-to-Act-Report-WEB-030222.pdf \(moneyandmentalhealth.org\)](#)

- Recognise customers may be nervous or fearful about contacting you and make it a positive and welcoming experience wherever possible.
- Remind customers of the things they need to do and be clear about the next steps. Not knowing what to expect can cause anxiety and may either delay customers getting in touch when problems arise or generate a higher volume of repeat requests for clarification.
- Offer prompts to support customers in distress to help them explain their situation.

Where to find more information and support

Money and Mental Health Policy Institute offer a [range of consultancy options](#) which can support you to improve your communication with customers living with mental health problems.

[Guidance from the Money Advice Trust and Fair By Design](#) on how to embed 'accessibility by design' into your products and services.

How this supports compliance for FCA regulated firms

Communicating supportively and accessibly will help firms to meet their obligations under the Consumer Understanding outcome of the [Consumer Duty Guidance FG22/5](#). See Chapter 8 of the guidance for more information.

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.



5. Working with third parties



Why it's needed

Many people with mental health problems rely on trusted friends or family for help with managing their finances, particularly when unwell. Existing tools for sharing decision making do not always work effectively and create a barrier for some people with mental health problems. This increases the risk of using alternative and insecure means of third party support, such as sharing passwords and PINs.⁷

Best practice

Enable customers with mental health problems to involve third parties flexibly and safely in the management of their accounts.

Putting it into practice

- Actively promote existing third party access options, like third party billing.
- Develop tools to allow customers to share limited account information or decision-making powers.
- Support should be provided flexibly, based on the customers' needs.
- Where authorisations are provided for a third party to act on a customer's behalf, also consider what authorisation procedures will be needed to allow the consumer to unilaterally withdraw authorisation.

Where to find more information and support

Money and Mental Health Policy Institute report ['A Little Help from my Friends'](#) has lots of practical suggestions.

How this supports compliance for FCA regulated firms

This will also support compliance with the consumer support outcome under [Consumer Duty Guidance](#), chapter 9, which highlights that firms should support persons authorised to assist in a consumer's affairs and act flexibly and effectively.

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.

⁷ [Report: A little help from my friends - Money and Mental Health](#)



6. Helping customers stay in control



Why it's needed

The symptoms of some mental health problems can include reduced or lack of impulse control, making over-spending and getting into financial difficulty more likely.⁸

Best practice

Consider offering customers spending caps or blocks on specific expenditure categories to help them control how they spend their money.

Putting it into practice

- If you offer control settings, make sure your customers know about them.
- Ensure controls can be turned on easily by the customer, ideally without having to speak to a member of staff.
- If a customer tells a member of your front-line team about difficulties controlling their spending, ensure that control options are highlighted to them.

Where to find more information and support

The Money and Mental Health Policy Institute produced a report called [Fintech for Good](#) which gives some ideas on the tools that would be useful for customers with mental health problems.

How this supports compliance for FCA regulated firms

Helping consumers stay in control will help firms avoid causing foreseeable harm, a requirement under [Consumer Duty Guidance](#). See Chapter 5 of the guidance for more information.

The [FCA Guidance for Fair Treatment of Vulnerable Customers](#) is also useful reading for regulated firms.

⁸ [Seeing through the fog - Money and Mental Health Policy Institute](#)

The Money and Pensions Service (MaPS) is an arm's-length body sponsored by the Department for Work and Pensions, established at the beginning of 2019. MaPS also engages with HM Treasury on policy matters relating to financial capability and debt advice.

We help people to improve their financial wellbeing and build a better, more confident future. Working collaboratively across the UK, we make sure people can access high-quality money and pensions guidance and debt advice throughout their lives, how and when they need it.

UK Strategy for Financial Wellbeing

The UK Strategy is a ten-year framework which will help achieve the vision of everyone making the most of their money and pensions. The framework is designed to drive change at scale and shift the dials on personal finance.

MaPS will play a key role in achieving this vision, by supporting and working with a wide range of other organisations and by delivering services where appropriate.

Visit our website to find out more about the UK Strategy for Financial Wellbeing and the delivery plans that make practical recommendations on how organisations can roll out initiatives to help people make the most of their money now and in the future.

