

SAMH'S VIEW:

DEBT AND MENTAL HEALTH

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ABOUT THE SAMH'S VIEW SERIES

SAMH's View statements set out SAMH's position on a particular policy topic.

In developing SAMH's position, the issues of equalities, diversity and human rights are investigated.

SAMH Views are produced by the Public Affairs team.

Context

In 2019, 1.1 million adults in Scotland were in some form of financial distress, including 274,000 who were in severe problem debt.¹ People with mental health problems are three times more likely to be in debt than those without.² Mental health problems can make managing finances and controlling spending more difficult.^{3,4} In addition to this, research suggests that debt can negatively affect a person's mental health.⁵ Therefore, debt is both a cause and consequence of mental health problems.

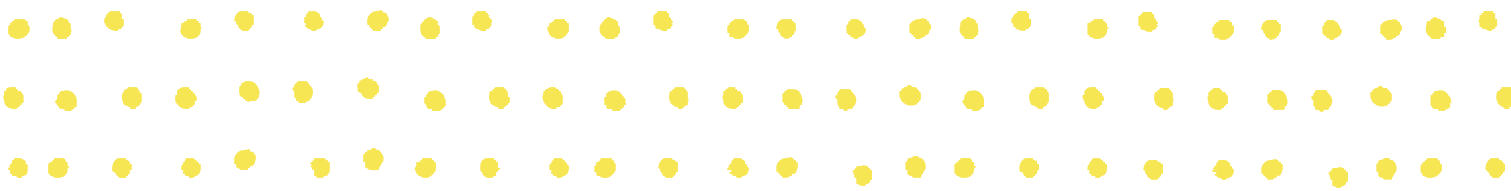
Key points

- 86% of people with mental health problems feel their financial situation made their mental health worse and 72% say their mental health made their financial circumstances worse.⁶
- Being in debt is strongly associated with having suicidal thoughts.⁷ Thirty-five per cent of people seeking debt advice from one anti-poverty charity say they have considered or attempted suicide as a result of their debt.⁸
- One in six debt advisers find it difficult to respond when a client discloses a mental health problem and 16% admit they would not know what to do if they thought a client was at risk of suicide.⁹
- The five week wait for the first payment of Universal Credit caused financial difficulty for 92% of clients receiving support from a major UK debt advice charity. Significantly, over half of all clients at the same charity are known to have a mental health problem.¹⁰
- Between 2014 and 2016, 30% of people in the UK who asked a healthcare professional to provide their creditor with evidence of their mental health problem were charged. Charges ranged between £30 and £50.¹¹
- Women are more likely than men to be affected by money worries.¹²
- Black, Asian and Minority Ethnic (BAME) people are less likely than white people to seek advice and support for their debt.¹³
- Fifty-four per cent of people who have taken time off work because of their mental health problems, and seen their income fall as a result, say that this made them fall behind on paying bills and household payments.¹⁴



SAMH calls for:

- Mental health awareness training for staff working in creditor organisations, front-line collection agencies and debt advice organisations to ensure those working closely with people in debt understand the relationship between debt and mental health.
- A dedicated team or staff member in all creditor organisations to have undertaken specialist mental health awareness training.
- NHS Education Scotland (NES) to develop resources that support health and social care professionals to confidently ask patients about financial matters, offer support and refer them to appropriate debt and welfare advice services.
- The expansion of the Community Link Worker programme to ensure more people across Scotland have access to non-clinical support available from Community Link Workers (CLWs), including support for managing finances, navigating the social security system and resolving housing issues
- Local Integrated Joint Boards (IJBs) to provide cultural awareness and sensitivity training, which covers attitudes to help-seeking and debt amongst different groups and religions, for Community Link Workers.
- Scotland to follow England and Wales by putting an end to the charging by healthcare professionals to fill out a Debt and Mental Health Evidence Form (DMHEF). This form can encourage creditors to change the way they engage with customers with mental health problems, make adjustments to their payment terms or even write off debt altogether.
- The Scottish Government to update the Debt Arrangement Scheme by adopting aspects of the UK Government's Breathing Space Scheme, including the extension of the breathing space period for the duration that an individual is receiving mental health treatment.
- The immediate abolition of the unjustified five week wait for the first payment of Universal Credit.
- The Scottish Government to fund an in-work support programme for people with mental health problems, taking learning from the Health and Work Support pilot.



Further detail:

FURTHER READING

- [Money and Mental Health Policy Institute](#)
- [StepChange Scotland: Scotland in the Red 2019](#)

DEBT ADVICE

- [Citizens Advice Scotland: Money Talk Team](#)
- [Money Advice Scotland](#)
- [Step Change](#)

Notes

¹ StepChange, [Scotland in the Red 2019](#), 2020

² Mind, [Still in the red: Update on debt and mental health](#), 2011

³ Money and Mental Health Policy Institute, [Money on Your Mind](#), 2016

⁴ Mind, [Still in the red: Update on debt and mental health](#), 2011

⁵ Mind, [Still in the red: Update on debt and mental health](#), 2011

⁶ Money and Mental Health Policy Institute, [Money on Your Mind](#), 2016

⁷ Meltzer, H. et al. [Personal Debt and Suicidal Ideation](#) (2010)

⁸ Christians Against Poverty, [Client Report](#), 2019

⁹ Money and Mental Health Policy Institute, [Vulnerability: the experience of debt advisers](#), 2018

¹⁰ StepChange, [Problem debt and the social security system](#), 2020

¹¹ Money and Mental Health Policy Institute, [Stop the Charge Policy Note, 2016](#)

¹² StepChange, [Need to Sleep](#), 2014

¹³ John Gathergood, [Demand, Capacity and Need for Debt Advice in the Unites Kingdom](#), 2013

¹⁴ Money and Mental Health Policy Institute, [Too Ill to Work, Too Broke Not To: The cost of sickness absence for people with mental health problems](#), 2018