

# Primary Care Guidance on Debt and Mental Health

## Key learning points

- Debt increases the risk of mental illness and mental illness increases the risk of getting into debt
- Debt advice can reduce demand for healthcare services
- Primary care practitioners are not expected to become 'debt experts' but can make a big difference

## Debt – the scale of the issue

In 2008, 3% of households admitted to falling behind with some or many bills or credit commitments.[1] By the end of April 2009, average household debt in Britain was:

- £9,280 (excluding mortgages).
- £21,570 (based on the number of households with some form of unsecured loan).
- £58,370 (including mortgages). [2]

## Causes of debt

Debt can be caused by a number of factors, including changes in circumstances, the break-up of a relationship, accident or loss of employment as well as poor financial management or capability. The current economic downturn is leading to increasing levels of debt and has restricted access to consolidation loans to pay off unsecured debts. Rising unemployment during the economic downturn is creating financial hardship for many people, which makes it more difficult to pay for necessities and repay credit commitments.

## Effect of debt on mental health

More debt equates to more mental ill health, even after adjustment for income and other socio-demographic variables. [3]

- Half of all people with debt in the general population have a mental disorder, compared to 14% of people with no debts, and 15% of the general population. [4]
- People with more than 5 separate debts have on average a 6-fold increase in mental disorder. [3]
- Utility disconnection and cutting down on utility usage are associated with 3-4 times and twice the average rates of mental disorder respectively. [4]
- Fuel poverty: a health study of the Government's Warm Front programme showed that people in fuel poverty were over 4 times more likely to suffer anxiety or depression than people who could pay their fuel bills easily. [5]

- Suicide and debt: Change in financial status is associated with suicidal ideation[6] and difficulty repaying debt is a risk factor for suicide. [7]
- Debt as the mediator: Although both low income and debt are associated with mental illness, the effect of income on mental health appears to be mediated by debt. [3]

A Civil and Social Justice survey found that 44% of the debt problems reported "led to physical or stress-related ill-health [and that] the average cost to the NHS of 'difficult-to-solve' debt problems that caused such ill-health was around £50 (£20 per debt problem in general)." [8]

## Effect of poor mental health on debt

One in six British adults lives with a mental health problem. [9] One in four adults with a mental health problem reports being seriously behind in paying a bill or making a repayment in the last 12 months. [10]

- This is three times the rate of indebtedness in the wider 'mentally healthy' British population.
- These issues affect 1.75 million British adults.

Higher levels of debt are experienced by those with mental illness:

- 8% of people with no disorder.
- 24% with depression and anxiety (common mental disorder).
- 33% with psychosis.
- 25% with alcohol dependency.
- 24% with drug dependency. [3]

## Financial capability

Supporting people to budget and better manage their finances overall reduces both the impact of debt and the risk of getting into debt. Improved financial capability has been shown to have wider social benefits and to be associated with psychological wellbeing.[11] Moving from low to average financial capability improves psychological wellbeing by 5.6%, life satisfaction by 2.4% and reduces risk of anxiety/depression by 14.7%.

## Why is this important for primary care?

Debt and mental health problems interact, so that each set of issues can cause or exacerbate the other. [12]

Primary care practitioners are well placed to link people with mental health problems to sources of information and advice regarding their debt problems. The time spent in helping people make these links may be compensated for by a likely reduction in the number of occasions on which patients will visit GPs.

## What can primary care do to help?

- Provide leaflets in your waiting room with details of face-to-face and telephone debt advice services.
- Screen for mental disorders in those people who describe debt problems.
- Ask patients about debt and signpost them to advice services.
- Make direct contact with advice services to assist patients in making appointments to deal with their debts, negotiate with creditors, and potentially maximise income through enhanced benefits take-up. The website [www.entitledto.co.uk](http://www.entitledto.co.uk) provides a self-help benefits calculator.
- Offer space on your premises for local advice agencies to provide outreach advice. Many surgeries have very effective arrangements with Citizens Advice Bureaux and others.
- Offer patients psychological help for their mental health problem, through the IAPT (Improving Access to Psychological Therapies) programme. More details are available at [www.iapt.nhs.uk](http://www.iapt.nhs.uk)
- Use the Debt and Mental Health Evidence Form to provide clear and relevant evidence about patients (see below).
- Signpost patients to the Government's Warm Front scheme for advice on heating/insulation grants to reduce future fuel bills and risk of fuel poverty. Ring 0800 072 9006 or [www.warmfront.co.uk](http://www.warmfront.co.uk)

You can download a short pocket guide on what else health professionals can do for their clients at [www.rcpsych.ac.uk/debt](http://www.rcpsych.ac.uk/debt)

## Benefits of working with debt advisers

- Research into the long-term impact of the National Debtline service found that between 89-94% of clients assisted within the previous 2-4 years reported improvements to their emotional/mental state and/or overall well-being. [13]
- Health care costs are potentially avoided through alleviation of some types of debt and highlight a need for public debt management services. [14]

## Providing medical evidence to advisers and creditors

Research has found that in relation to negotiating the terms of debt repayment:

- Many consumers want their mental health status considered by creditors, and either do or would give their consent for relevant information to be collected.
- Creditors often do not take known mental health problems into account.
- Advisers do not know what evidence to ask health and social care professionals for.

Consequently, this can result in:

- Obstacles to soliciting relevant information from health and social care professionals.
- Inappropriate and distressing action being taken by creditors. [15]

## Evidence form

The Debt and Mental Health Evidence Form provides a simple and quick way to help health professionals provide clear and relevant evidence to support money advisers' negotiations with creditors. Developed by the Royal College of Psychiatrists for the Money Advice Liaison Group, this standardised clinical information form asks eight simple questions, which comply with UK data protection law. The form is available at [www.rcpsych.ac.uk/debt](http://www.rcpsych.ac.uk/debt) [16]

## Other interventions

- From mid-July 2009, the NHS Credit Crunch Stressline will complement existing help on offer to people distressed by the impact of the economic downturn on their lives. It will provide health and well-being advice supplemented by appropriate signposting to counselling, debt, housing and/or careers advice services. Calls from a landline to 0300 123 2000 are charged at local rates or visit [www.nhs.uk/creditchunch](http://www.nhs.uk/creditchunch)
- The Financial Services Authority (FSA) leads the UK's National Strategy for Financial Capability, and has reached 6 million people. The FSA is targeting specific groups, including those divorcing/separating or facing redundancy, new parents, people with mental health problems, school students, and older people. Visit [www.financialcapability.fsa.gov.uk](http://www.financialcapability.fsa.gov.uk)

## Sources of free, independent, confidential debt advice

- Advice UK is a membership association for over 1,000 information and advice centres on **020 7469 5700** or [www.adviceuk.org.uk](http://www.adviceuk.org.uk)
- Advice NI provides leadership, representation and support to independent advice organisations in Northern Ireland on **028 9064 5919** or [www.adviceni.net](http://www.adviceni.net)
- Citizens Advice Bureaux are independent charities providing advice and information across the UK. Details of individual Bureaux for England and Wales at [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk), [www.cas.org.uk](http://www.cas.org.uk) for Scotland, and [www.citizensadvice.co.uk](http://www.citizensadvice.co.uk) for Northern Ireland.
- Community Legal Advice provides telephone advice to clients eligible for Legal Aid on **0845 345 4345** and hosts a national directory of advice providers at [www.communitylegaladvice.org.uk](http://www.communitylegaladvice.org.uk)
- Consumer Credit Counselling Service provides free, independent, impartial and realistic support regarding debt. Call **0800 138 1111** or visit [www.cccs.co.uk](http://www.cccs.co.uk)
- Money Advice Scotland provides details of advice agencies throughout Scotland that provide free, independent,

impartial and confidential money advice. Call **0141 572 0237** or visit [www.moneyadvicescotland.org.uk](http://www.moneyadvicescotland.org.uk)

- National Debtline provides free confidential and independent advice on debt. Call **0808 808 4000** or visit [www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)
- Payplan provides a free debt management service. Call **0800 716239** or visit [www.payplan.com](http://www.payplan.com)

## People involved in creating this resource

- Jim Fearnley, Head of Research & Policy, Money Advice Trust  
Comments to: [jim@moneyadvicetrust.org](mailto:jim@moneyadvicetrust.org)
- Chris Fitch, Research Fellow, RCPsych  
Comments to: [cfitch@rcpsych.ac.uk](mailto:cfitch@rcpsych.ac.uk)
- Emma Mamo, Senior Policy and Campaigns Officer for Mind.
- Jonathan Campion, Consultant Psychiatrist on secondment to the Department of Health.

We wish to thank the following people for their support.

- Carolyn Chew Graham
- Sian Goddard
- Chris Manning
- Rachel Jenkins
- Ian McPherson
- David Shiers
- Design by FST Salford.

First Step Trust (FST) is a national charity providing real work and employment opportunities for people excluded from ordinary working life because of mental health problems and other disadvantages. [www.firststeptrust.co.uk](http://www.firststeptrust.co.uk)

## The Forum

The Forum for Mental Health in Primary Care is jointly hosted by the Royal College of Psychiatrists and the Royal College of General Practitioners. It aims to encourage communication, collaboration and creativity between individuals and organisations who work to enable day-to-day mental health in everyone. <http://www.primarymentalwellbeing.org.uk/>

To find out more contact:  
Dr Carolyn Chew-Graham Mental Health Clinical Champion to the RCGP email: [carolyn.chew-graham@manchester.ac.uk](mailto:carolyn.chew-graham@manchester.ac.uk)  
Dr Roger Banks Lead for Primary Care to RCPsychiatrists email: [rogerbanks@doctors.org.uk](mailto:rogerbanks@doctors.org.uk)

## References

- [1] Bank of England (2008) Quarterly Bulletin 2008 Q4. Volume 48, No. 4
- [2] Credit Action Debt Facts and Figures (June 2009 release, based largely on April 2009 data, including Bank of England statistics). London, Credit Action.
- [3] Jenkins R, Bhugra D, Bebbington P, Brugha T, Farrell M, Coid J, Fryers T, Weich S, Singleton N, Meltzer H (2008). Debt, income and mental disorder in the general population. *Psychological Medicine* 38, 1485-1494.
- [4] Jenkins R, Bhugra D, Bebbington P, Brugha T, Farrell M, Coid J, Fryers T, Singleton N, Meltzer H (2008). Mental disorder in people with debt in the general population. *Journal of Public Health Medicine*. In press.
- [5] Green G, Gilbertson J (2008) 'Warm Front Better Health: Health impact evaluation of the Warm Front scheme' Centre for Regional Economic and Social Research; Sheffield Hallam University.
- [6] Hintikka J, Kontula O, Saarinen P, Tanskanen A, Koskela K, Viinamaki H (1998) Debt and suicidal behaviour in the Finnish general population. *Acta Psychiatr Scand*, 98, 493-6.
- [7] Turvey C, Stromquist A, Kelly K, Zwerling C, Merchant J (2002) Financial loss and suicidal ideation in a rural community sample. *Acta Psychiatr Scand*, 106, 373-80.
- [8] Pleasence P, Buck A, Balmer NJ, Williams K (2006) A Helping Hand – The Impact of Debt Advice on People's Lives. London, Legal Services Research Centre.
- [9] Office for National Statistics (2000) Psychiatric morbidity among adults living in private households in Great Britain. London, Stationery Office.
- [10] Office for National Statistics. (2002). The Social and Economic Circumstances of Adults with Mental Disorders. London: Stationery Office.
- [11] Taylor M, Jenkins S, Sacker A (2009) Financial capability and wellbeing: Evidence from the BHPS. Financial Services Authority, Occasional Paper Series 34.
- [12] The term 'mental health problems' is used in this factsheet to refer to common mental disorders, including depressive episode, panic disorder, phobia, obsessive-compulsive disorder, and generalised anxiety disorder.
- [13] Money Advice Trust Longitudinal Evaluation of National Debtline clients (2007-08 wave). London, Money Advice Trust.
- [14] Knapp M, Mangalore R, McDavid D, Fernandez J (2008). Debt, mental health and cost-effectiveness of interventions. *Foresight Mental Capital and Wellbeing Project* 2008
- [15] Mind (2008), In the Red: debt and mental health. Mind, London.
- [16] The Information Commissioner's Office has confirmed that the Debt and Mental Health Evidence Form complies with UK data protection law regarding the control and processing of sensitive personal information.