

Problem-solving

The next sections of this toolkit may seem overwhelming. So first it is essential to identify where you might need some support.

When you feel stuck and overwhelmed, it can often feel impossible to think about solutions to a situation. When stressed, the rational part of our brain starts to shut down (to focus on fighting or escaping the threat). Even if you would usually be able to solve problems quickly, you can begin to struggle - this is due to the emotional part of the brain taking over.

The process below can help to retake control of our rational brain and enable us to think about a difficult situation in a structured and logical way. You might want to work through this section with your healthcare worker.



Activity

1. Identify the problem

Identify the problem. It needs to be something that has happened, or you have evidence for - not just something that *might* occur. Try and be very specific about this - you might even need to break it down into several problems and use this technique for each one separately.

My current problem is:

2. Note down potential solutions

Identify all possible solutions or responses to this problem and write them down. It's easier said than done - but a good tip is to try not to think too far ahead at this stage - just think of as many possible actions as you can. It can help to think about what you would advise a friend to do in the same situation.

- 1.
- 2.
- 3.
- 4.
- 5.

3. Pros and cons

The next step is to think of the pros and cons of each of your identified solutions. This kick-starts the rational part of your brain, and you can begin to consider which solution is the most reasonable.

	Pros	Cons
Solution 1		
Solution 2		
Solution 3		
Solution 4		
Solution 5		

4. Choose your solution

Choose which option to take forward based on your evaluation. This doesn't need to be the 'perfect' solution – but selecting an option after weighing up the evidence you have is still making progress.

5. Plan out your next steps and take action

Now that you have identified your solutions use the template below to determine your mental health and money management goals.

Short term goals	How can you achieve these goals?	When would you like to achieve this?
1.		
2.		
3.		



Long term goals	How can you achieve these goals?	When would you like to achieve this?
1.		
2.		
3.		

Use the schedule below, or an app on your phone, to plan these activities over the week.

Make it as easy as possible for yourself and break down steps into tiny chunks - it's much easier to succeed when your goals are manageable and realistic. E.g. rather than 'change energy supplier', try breaking it down into small steps like the example below:

Day	Action
Monday	Find out how much I am currently paying
Tuesday	Research alternative energy suppliers
Wednesday	Contact the potential new supplier and confirm details
Thursday	Cancel current supplier and switch over
Friday	
Saturday	
Sunday	

Day	Action
Monday	
Tuesday	
Wednesday	
Thursday	
Friday	
Saturday	
Sunday	

6. Review

Continuously review how things have gone. It may be that things didn't quite work out as expected or you've had to change your plan and start something again at Step 4. But that's ok; you're further along than you were, and you've taken a proactive step in dealing with the situation.

Section 3

Understanding your finances

Prioritisation	26
Priority bills	26
Non-priority bills	28
Understand your income and plan your outgoings	30
Listing your income and outgoings	30
Taking control of your debt	35



When it comes to money, often the sooner you begin to tackle the problem, the easier it will be to take control. That said, for some people, during certain times, finding the strength to deal with financial issues feels impossible.

If you're struggling with money, you can talk to someone today, online, by phone or face-to-face. There are specially trained advisers who can help you manage your financial problems.

Go to Section 6 on page 48 to find out how to contact free debt advice organisations. See "taking control of your debt" on page 35 for how to prepare for a debt advice appointment.

Prioritisation

Low mood, anxiety, impulsivity and mania can all be aspects of our mental health which affect the way we spend and manage money. Prioritising the things that we need, such as weekly food and money for bills, can fall by the wayside, especially if we don't have much money.

! If you have missed a bill payment, you should seek help from a free debt advice organisation. Your healthcare worker will be able to support you in finding a suitable one.

Priority bills

A priority bill means you would lose something if you did not pay it. Because you might lose something, they are more important than other bills. A non-priority payment is one where if you don't pay it, you won't lose anything important. Sometimes the worst that can happen is that your credit rating might be affected. Priority bills include:

Priority Bills

Potential consequences of not paying

Mortgage repayments and loans secured on your home	Repossession of your property
Rent arrears	Eviction from the property
Council tax	Use of bailiffs to collect the debt, deduction from wages or benefits, imprisonment (if you refuse to pay, only in England)
Gas/electricity	Disconnection
Magistrate court fines	Deduction from wages or benefits, imprisonment
Child maintenance	Deduction from wages, imprisonment
Hire purchase agreements, if what you're buying with them is essential	Repossession of hired goods
TV Licence	Magistrates Court Fine
Income Tax, National Insurance and VAT	Deduction from bank account, use of bailiffs
Missed payments owed to DWP (Department for Work and Pensions) or HMRC (HM Revenue & Customs)	Deductions from benefits

Non-priority bills

Failing to pay non-priority bills usually has fewer consequences than not paying a priority bill. However, your creditors (the people that you owe money to) may take you to court to recover any money that you owe them. It is not a criminal court; non-payment of a non-priority bill is not a crime. Non-priority debts can include:

- Credit card debts
- Store cards and catalogue debts
- Unsecured bank and payday loans (loans that are not secured against your property)
- Loans from friends and family
- Overdrafts
- Water and sewerage bills

! Although water and sewerage are non-priority bills, you should aim to pay these; otherwise, the bill will continue to increase.

You should treat all non-priority creditors fairly - meaning you shouldn't make full payments to one by reducing payments to another.

Suppose you can't afford your non-priority debts minimum payment. In that case, you should make reduced payments to all of them. A debt adviser can help you with this. Go to page 48 for information on how to contact a debt adviser, or ask your healthcare professional to help you find one.

However, everyone's circumstances are different, and you will have other priorities according to your own needs.



Activity

Use the table to list your bills/outgoings and select those which are a priority.

Bills and outgoings	Is a priority
E.g. council tax	<i>Yes</i>
E.g. food shopping	<i>Yes</i>
E.g. credit card	<i>No</i>

! Financial services and utility companies are actively trying to improve how they identify and provide support for their customers' differing needs. If you feel up to it, you can contact your service provider to let them know you need more support. Ask if they have a specialist team or what they can do to help customers who are experiencing problems with their mental health.

Understand your income and plan your outgoings

Making a list of your income and outgoings is the first step in taking control of your finances. It is a way for you to calculate how much money you have coming in compared to how much you have going out.

! If you are in debt or struggling to pay any of your bills you should seek free debt advice, even if you haven't had a chance to make a list of your income and outgoings yet. Go to page 48 for information on how to contact a debt adviser, or ask your healthcare professional to help you find one.

Understanding your income and outgoings is helpful, especially if you have little income or if your difficulties with mental health mean that you struggle with prioritisation. It's also beneficial for you to work out an affordable repayment plan if you are currently in problem debt.

Listing your income and outgoings

You can work out your monthly income and outgoings by using the form on the next page. This will allow you to create your budget and keep your finances on track.



Activity

1. The first step is to list your income which may include any wages, benefits, child maintenance payments or a range of other sources. You can also complete this online budget planner: www.mhma.org/tools/budget-planner

If you receive your income with different time-scales, you need to sort them into one frequency such as weekly, fortnightly or monthly. Use the following formula to help you with conversions:

Weekly to monthly payments: Weekly sum x 52 weeks ÷ 12 months

Four weekly to monthly payments:

4 weekly sum x 13 periods ÷ 12 months

Quarterly to monthly payments:

Quarterly sum x 4 quarters ÷ 12 months

Income item	Amount (£)
Wages	
Partner's wages	
Benefits	
Other	
Other	
Total	

2. The next step is to add in your outgoings which includes housing costs, food and hobbies such as a gym membership.

As shown in the priorities section above, some outgoings are considered essential and should be prioritised when working out what should be paid first. After paying this out, whatever is left over is your disposable income which you can put towards paying non-priority debts, savings or treats.

! Everyone's priorities are different, but this logo shows what a priority for most people is.

Outgoings	Amount (£)
! Rent/Mortgage	
Home insurance (e.g. buildings and/or contents)	
Life insurance	
! Council Tax	
! Gas	
! Electricity	
Other utilities (coal/oil/Calor gas)	
! TV Licence	
! Childcare/Child Maintenance	
Car payments	
Road Tax	

Fuel	
Other travel costs (public/taxi)	
! Food	
! Clothing	
! Telephone (mobile/home/other)	
Cable/satellite/internet	
Pets (food/vet/insurance)	
Leisure/hobbies	
Gifts (Christmas/Birthdays)	
Other	
Other	
Other	
Total	

3. Once you have calculated your income and outgoings, use the box below to work out how much you have left over:
 Total income - total outgoings = money left over.

Total income (£)	
Total outgoings (£)	
Money left over (£)	

