



CAP
DEBT
HELP

Journey out of debt

Your guide to CAP's
debt counselling service

CAP Debt Coach name

Contactable hours

CAP Debt Centre number

Your CAP reference number

Welcome to the family



Now that you have asked CAP for help, you have hundreds of people on your side who believe in you and will work hard for you on your journey out of debt.

You may feel alone in your situation, but actually millions of people in the UK are struggling with debt. I also understand what you are going through. In the 1990s, I was in a lot of debt. I felt depressed and thought things would never get better. I worked hard and paid off my debts, but it was difficult and I wished there was someone who could have helped me. Because of what I had been through and my Christian faith, I decided to start CAP in 1996.

We help over 2,500 people every year to find a way out of debt, and you're about to become one of them – welcome to the CAP family! Working together you will have a debt free future.

God bless,

John Kirkby, Founder



In this workbook

- 4 Starting your debt free journey
- 6 First appointment
- 13 Independent option
- 14 Fact Find appointment
- 16 Budget appointment

About CAP



CAP helps over 2,500 clients a year through CAP Debt Help.



CAP handles over £45 million of debt on behalf of its clients.



CAP works with hundreds of finance and utility companies.



When people are the most desperate and need the most help, the place I send people to is CAP, because it works.

Martin Lewis
Money Saving Expert



Important information

How to contact head office

Head office number: **01274 761999**

Head office text number: **07860 033177**

Head office email: **contact@capuk.org**

Please make sure you know your CAP reference number when you get in touch.

Calls to your Debt Advice team from a landline will be charged at the standard rate for geographic (local) numbers.

Call costs from mobiles will vary according to your phone plan.

2

Date of Fact Find appointment

3

Date of budget appointment

Your debt free journey

Below is a diagram of how CAP will work with you to help you towards becoming debt free, starting today!

Over the course of three appointments, we'll gain a clear picture of your situation and the best way to help you through it. Our team at head office will set up your case and will also support you on the rest of your journey.

Your CAP Debt Coach will explain the process in more detail.

1 First appointment

Your Debt Coach will explain CAP's service and show you our DVD. They will explain exactly what paperwork you need to give to us so that we can help you.

2 Fact Find appointment

Your Debt Coach will gather all your information and paperwork from you. Afterwards, a Debt Advisor at head office will use this information to create a budget and a CAP Plan.

3 Budget appointment

The head office Debt Advice team will have created a detailed budget and a CAP Plan. They may have contacted some of your most important (priority) creditors to do this. Your Debt Coach will then explain this budget to you

They will also present the different options to you to get out of debt and advise you on which one CAP thinks is best for you.

4 Continuous support

After your Budget appointment, if you decide to work with us, we will contact all of your relevant creditors. Your Debt Coach will introduce you to a team at head office who will support you on your journey towards becoming debt free, as long as you continue to work well and cooperate with us.

5 Debt free!

We see over 2,500 of our clients become debt free each year. Working with us will help you become one of them! It might be a long or difficult journey at times but we'll be there to encourage and advise you every step of the way.



About your Debt Coach

Your Debt Coach has been trained by Christians Against Poverty to support you through the process of becoming debt free.

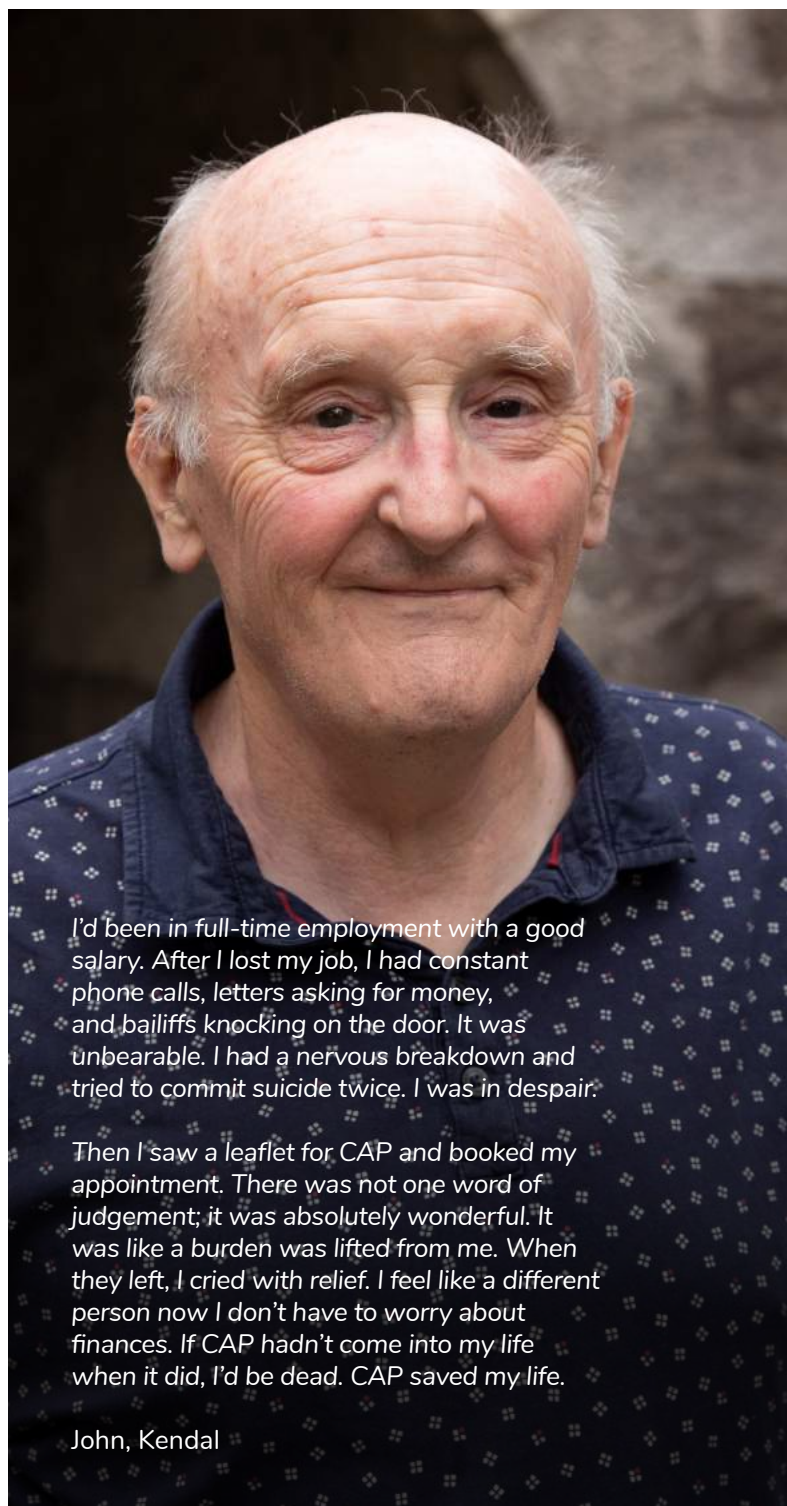
They are specially trained to explain the advice from our head office Debt Advice teams.



About your head office team

Our head office team of trained debt counsellors have experience in tackling even the most difficult cases.

They'll be able to advise you on the best way to deal with your debt problems and manage the case from head office after your Debt Coach has explained the best option for you.



I'd been in full-time employment with a good salary. After I lost my job, I had constant phone calls, letters asking for money, and bailiffs knocking on the door. It was unbearable. I had a nervous breakdown and tried to commit suicide twice. I was in despair.

Then I saw a leaflet for CAP and booked my appointment. There was not one word of judgement; it was absolutely wonderful. It was like a burden was lifted from me. When they left, I cried with relief. I feel like a different person now I don't have to worry about finances. If CAP hadn't come into my life when it did, I'd be dead. CAP saved my life.

John, Kendal

1 First appointment

The First appointment is for us to get to know each other! Your Debt Coach will explain our service to you and what you can expect. They will also ask you some questions about you and your debts.

It is very normal to have questions or worries at this stage: this is a great opportunity to bring them up.



Aims for the appointment

- Find out how CAP works.
- Understand what a CAP Plan is.
- Know your part to play and commit to working with us.
- Start to gather paperwork for the next appointment (Fact Find appointment).
- Understand what will happen next and what you need to do.



How the CAP Plan works

Your CAP Plan is the process of how CAP will divide up the money you agree to pay in. When we've worked out your budget, you will usually make a regular agreed payment to CAP. This will then be distributed between your creditors, savings and any other payments.

The diagram below explains the process.

1 You choose a date

(1st to 28th) that you will pay us on each month and confirm this with us.

2 You pay in to your CAP Plan

Set up a standing order. If you need help with this, you can speak to your Debt Coach.

3 Your money arrives and is allocated to your CAP Plan

4 CAP distributes your money for you

Your money will be allocated to the following areas:

- Priority payments
- Priority debts
- Non-priority debts
- Your savings



If you do not pay the full agreed amount into your CAP Plan, we may not be able to make all the arranged payments towards your bills and debts.

It's possible that the amount you need to pay in could change if your circumstances change.

1 First appointment

Working with creditors

When we contact your creditors, sometimes we can ask them to stop adding interest and charges to your debt. Although we can't guarantee that they will agree to this, we have seen good success in the past because of our great relationships with most of the major banks and debt companies. They respect our work and trust us. However, interest and charges can't always be stopped and you may find that the balance of your debt increases in the short term.



Interest

If interest is stopped, it might be reapplied if you stop paying into your CAP Plan. You need to be aware that some creditors, whilst agreeing to stop interest, will still add up the interest in the background. If you stop paying into your CAP Plan we can't pass this money over to your creditors and so the interest may then be reapplied to your debt.



Credit rating

Your credit rating may be affected. This is because CAP may have to pay less than the amount you have contractually agreed to pay back to your creditors. Your debt could be passed on to different departments within a company or sold to a debt collection company. This can mean it's easier for CAP to get interest and charges stopped but could also mean that your credit rating is negatively affected, which will make it harder for you to take out credit in the future. If you've missed any payments on a debt in the past, this may have already happened.



Payment date

For payments made through a CAP Plan, creditors are likely to be paid on a different or later date than they had previously agreed to and/or they will be paid later than if you had made the payment directly to them yourself.



Missed payments

If your CAP Plan deals with any priority payments (e.g. rent), a missed payment into your CAP Plan will also cause a payment to be missed (e.g. towards your rent). This could make your financial situation worse.

Playing your part

If you work with us, we will do everything we can to help you find freedom from the pressure of unmanageable debt. However, getting out of debt takes time and effort and you need to play your part. We need to know that you are committed to the process.

To get out of debt I agree to:



Take out no more credit.

This means loans, mail order catalogues, hire purchase, social fund loans or anything else like these.



Stop using my credit cards.



Supply all the paperwork that CAP asks me for.

We can only make payments to some of your creditors when we have a recent piece of paperwork for the debt. If you do not provide the information that we need, we may have to close your case and you won't have access to our service.



Respond to letters and calls from CAP.



Live within the agreed budget.



Pay the agreed amount into my CAP Plan on the agreed monthly date.

This amount will be decided by the budget prepared by head office. It will cover any of the bill payments and debt repayments that are being made by CAP on your behalf. If you do not pay the correct amount into your CAP Plan, your financial situation is likely to get worse and we may have to close your case. This means you won't have access to our service.



Take on board any advice provided by CAP.



Tell CAP if my income, bills or debts change at all.



Once a year, ensure I am available to complete a review of my situation with a Debt Advisor over the phone.

1 First appointment

Fact Find checklist

Below is a list of what you'll need for the second appointment (Fact Find appointment). This might feel overwhelming but your Debt Coach will help you to go through it now so that you know what you need to provide and how to do that. You may have already collected some things since making your appointment.

<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Income 1	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Income 2	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Income 3	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Income 4	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Mortgage / rent	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Arrears for mortgage/rent:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Current Council Tax/rates bill:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Council Tax arrears:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Gas bill:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Gas arrears:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Electricity bill:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Electricity arrears:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Water bill:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Water arrears:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Enforcement agent debt:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Benefit deductions:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Court fines:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Hire or rental purchase agreement:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Crisis/social fund loan:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Non-priority debts:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	TV licence:	
<input type="checkbox"/> NEED	<input type="checkbox"/> DON'T NEED	Recent bank statement:	

We will also need information about the following:

☐ NEED

☐ DON'T NEED

Previous addresses for the last six years

☐ NEED

☐ DON'T NEED

Your bank account and previous accounts for the last two years

☐ NEED

☐ DON'T NEED

Any current job and previous employment

☐ NEED

☐ DON'T NEED

Expenditure

☐ NEED

☐ DON'T NEED

Any other bills

☐ NEED

☐ DON'T NEED

Any of the following if they apply to you: property, debtors, life insurance/assurance, pensions, motor vehicles or other valuable assets.

☐ NEED

☐ DON'T NEED

Savings



Important information

It's really important that you do everything in this checklist before your Fact Find appointment, otherwise it may not be able to go ahead and this will delay you becoming debt free. If you are struggling with any of this, you can call your Debt Coach.

If you can't get hold of your Debt Coach, you can call the head office team on 01274 761999.

1 First appointment

What you need to do next

If you work with us, we will do everything we can to help you find freedom from the pressure of unmanageable debt. However, getting out of debt takes time and effort and you need to play your part. We need to know that you are committed to the process.



Gather all the necessary paperwork on your Fact Find checklist that you went through with your Debt Coach in today's appointment. This is really important so that the next appointment can go ahead and you can get started on the road to becoming debt free as soon as possible.



Try to pay any priority bills that are due. These include things like rent or mortgage payments, Council Tax, TV licence, insurance and gas, electricity or water bills. Your Debt Coach can help you understand what these are.



If you are overdrawn on your current bank account (or have debts with your current bank such as loans or credit cards), you will need to **open a new basic bank account with a bank that you have no other debts with.** It is very important that you have done this before the next appointment (Fact Find appointment), as your existing bank may freeze your account and then you won't have access to your money. Read 'Opening a new bank account' in the *Things you need to know* booklet to find out how to do this.



If your creditors contact you, explain that you are getting help from Christians Against Poverty. Tell them when your next appointment is and give them your CAP reference number (on the front of this book). Politely ask them to send you a letter giving details of your outstanding debt.



If they have sent you a letter you may wish to call them to respond. If, after talking with them, you still feel the situation is urgent you can get in touch with our head office Debt Advice team on **01274 761999**.



Whilst your case is getting set up, your creditors may continue to contact you or even seem to contact you more. When we start making regular payments to them from your CAP Plan most creditors will stop contacting you, so stick with it and things will get better.



If you have been contacted by an enforcement agent (previously called bailiffs), your Debt Coach can give you a leaflet about how to deal with this.



If you haven't been making any payments towards your non-priority debts, making a token payment of a minimum of £1 per month may help to reduce the amount of contact you get from them. It's important to make sure you have enough money for food and priority payments before you do this.



Anything else

Don't need our full service?

Not all of our clients find that they need the full CAP Debt Help service. Sometimes, they just need a bit of help to get things off the ground. We can provide you with a budget and advice to use as you work your way out of debt independently.



Is this the right option for me?

We often find that clients who choose this option are:

- Able to repay their debts in a fairly short amount of time (our budget will help you to assess this).
- Already maintaining contractual payments to their creditors.
- Happy to chat with creditors themselves.



Will you contact my creditors?

We will provide you with a template letter to use to contact your creditors with all you need to say, but we won't contact them directly.

You will then have control of your finances as you work to become debt free.



What if I'm not sure what the best option is for me?

Don't worry if you're not sure. Our team at head office will assess your case and recommend whether a full CAP Plan is the best way for you to become debt free.

Your Debt Coach will go through this with you at your third appointment and you'll be able to choose what you want to do going forwards.

As a team we're dedicated to making sure we find the best option for you. Together let's get you across that debt free finish line as soon as possible!

2 Fact Find appointment

Playing your part

Today is all about taking all of the paperwork and information requested on the Fact Find questionnaire from the First appointment and giving it to your Debt Coach, so they can send it all to head office.

After this appointment, we may contact some of your more important (priority) creditors to advise them that we are assisting you and deal with any urgent situations.



Aims for the appointment

- Give CAP authority to use your paperwork to begin working on your budget.
- Hand over all the paperwork and information we need to do the Fact Find.
- Understand what will happen next and what you need to do.



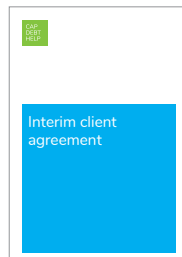
Some things you'll need to sign

Before we go any further, we need you to agree to let us start work on your case. To do this, your Debt Coach will ask you to sign two pieces of paperwork. These will have been left for you to read by your Debt Coach after your First appointment. They are:



Client authority

This gives us authority to speak to your creditors when we need to. We may need to add all your previous names and your previous addresses.



Interim client agreement

This explains in detail what CAP promises to do and what you agree to do until you receive your advice from head office at your third appointment (Budget appointment). It contains terms and conditions about how CAP works, so read it carefully!



Credit report consent

We need to see your credit report so that we can make sure your Financial Statement is up-to-date. This will help us give you the best advice on your journey to becoming debt free. We're working with The Insolvency Panel (TIP) to access your credit report either from Experian or TransUnion, but we need your permission first.



Budget appointment

Almost there!

Well done – you’re nearly set up and ready to go! Today, your Debt Coach will go through your brand new CAP budget and explain the best option for you to become debt free!

If you choose to work with us, you will need to tell us your monthly payment date and set up payments for this. We will contact your priority creditors to agree a plan with them. Once you have committed to paying in, we will contact all of your other creditors to tell them how we plan to deal with your debts.



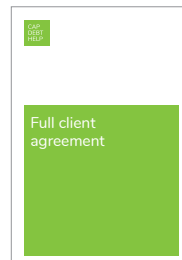
Aims for the appointment

- Receive and understand a personalised budget from head office.
- Understand the options available to you and CAP’s advice on the best route to see you become debt free.
- Commit to working with us on a suitable option and give CAP authority to help you do this.
- Understand what will happen next and what you need to do.



Some things you’ll need to sign

After you’ve received the advice from CAP’s head office and understand your options, you’ll need to confirm that you’re happy to go ahead. To do this we need you to sign the documents below.



Full client agreement

You’ll need to sign this when you’ve chosen a suitable route out of debt. It explains what CAP will do and what you agree to do to start to become debt free. It contains details about how CAP works so read it carefully!

Standing order form

A standing order is the best way for you to pay into your CAP Plan. We can’t begin to work with all of your creditors without your commitment to paying in.

Sticking with it

Now that you are almost set up with CAP, it's important to build on all the hard work you have put in so far. Please make sure that you fully understand everything your Debt Coach has explained to you and who to contact next with any questions you may have.



Continuous support

You will have a Debt Advice team at CAP's head office to support you as you work towards becoming debt free. Your Debt Coach will explain who they are, based on CAP's recommended option for you.

If this route involves a formal insolvency option, you'll also get the chance to watch a short DVD on this, and your Debt Coach will be able to help answer any questions you may have.



Remember to contact head office

Please make sure you know your CAP reference number when you get in touch.

Head office number: 01274 761999
Head office text number: 07860 033177
Head office email: contact@capuk.org



It's a team effort

The process of becoming debt free is truly a partnership between you and CAP. We are doing a lot of work, as you will see. We can negotiate with your creditors, work with you on budgeting and get some great systems set up. However, there are three things we need you to do:

Trust us. The first thing we need you to do is to trust us. We have helped countless numbers of people over the years but we need you to keep believing in us and working with us.

Stick to your budget. We also need you to do whatever you can to help us help you. Getting out of debt may not be an easy road. You will have to make some hard choices and stick to your budget. It won't just happen overnight, so we need your commitment to persevere with it. Give us the privilege of working with you and together we will see your life changed.

Talk to us. It's really important you keep us updated with any changes - especially if you need to change the date you plan to make your monthly payment to us.

Notes



Use this space to write
down any notes.

Lined area for writing notes, consisting of multiple horizontal lines.



capdebthelp.org

01274 761999 | contact@capuk.org

  CAPuk  CAPuk_org  CAPukorg

Charity Registered No: 1097217 (England & Wales), SC038776 (Scotland).
CAP is authorised and regulated by the Financial Conduct Authority.

Disclaimer: This information is not intended to be legal advice and is for educational purposes only. Although care is taken to ensure that this information is accurate and correct at the time of writing, Christians Against Poverty cannot accept any responsibility for mistakes or omissions. Christians Against Poverty excludes to the extent lawfully permitted all liability for loss or damage arising from reliance upon this information.

Copyright © 2021 Christians Against Poverty. All rights reserved. This material may not be reproduced for any purpose without first obtaining written permission from Christians Against Poverty.

Product code: 100441v9

always hope.