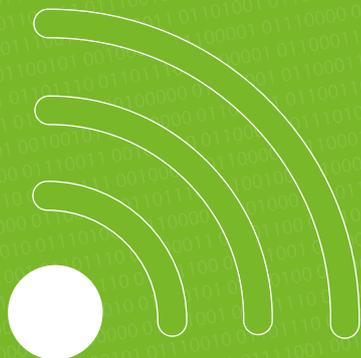


# Offline and shut out

Digital exclusion in an increasingly digital landscape



Lifting people out of  
debt and poverty

christians  
against  
poverty

**CAP**

We live in an increasingly digital landscape. 41.8 million adults now use the Internet daily.<sup>1</sup> Being online has significantly changed the way we communicate, consume and play. Not only has this delivered convenience, but also better deals, information and accessibility.

As we approach the pinnacle of Internet access, with 89% of UK households currently having access at home and 70% on a smartphone, digital inclusion is not only advantageous but a necessity.<sup>2</sup> In 2017, the Internet is the gateway to finding the best energy deal, claiming benefits and shopping around for financial services.

Yet, there is a steadfast group who remain shut out. Not only are they missing out on the fun and convenience the majority of us enjoy, but more poignantly they are disadvantaged in their day-to-day interactions with essential and financial services.

At 22% the level of digital exclusion amongst CAP clients is at least twice the national average.<sup>3</sup> While some groups, characterised by age or disability, are more likely to lack Internet access, digital exclusion is an issue across the spectrum.

There are many reasons for this, including lack of digital skills, but the low incomes of those CAP helps and the widespread material deprivation and poverty are key. While affordability of Internet services and devices has improved, when two in three struggle to afford food before CAP's help, it is easy to appreciate why so many remain offline.<sup>4</sup>

With digital exclusion more widespread amongst the low-income demographic, it is imperative that essential services needed by low-income consumers, and those at risk of problem debt, cater for the needs of those who lack easy and personal Internet access. Offline channels remain important and remedies addressing key issues experienced by these groups cannot rely solely on online measures.

The figures in this briefing are from a survey of 1,210 people in financial difficulty working with CAP to resolve their debts. They show that not only are CAP clients financially excluded in many ways, but a considerable proportion are digitally excluded as well. Financial and digital exclusion are intrinsically linked and the real life stories behind these statistics show the hardship experienced as a result.

1 in 5

do not have personal Internet access at home or on a Smartphone

23%

of those without personal access use a library, or similar, to get online

Those with a physical disability, mental ill health, learning disability, serious and/or terminal illness are

42% more likely

to lack personal Internet access

1 | Office of National Statistics (ONS) (2017) Internet access - households and individuals: 2016 statistical bulletin

2 | Ibid

3 | Based on assumption that the ONS figure (11% of UK households do not have access to the Internet) is an overestimation due to those with Internet access on a smartphone.

4 | Ofcom (2016) Access and Inclusion in 2016: Outcomes for consumers in vulnerable circumstances, reported that average monthly household spend on telecoms and TV fell 9% in real terms in the decade to 2015 and broadband and data allowances had also increased.



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## The figures<sup>5</sup>

Client demographics:<sup>6</sup>

**£14,511**  
average annual household income

**56%**  
are living below the poverty line

**76%**  
receive some form of benefits

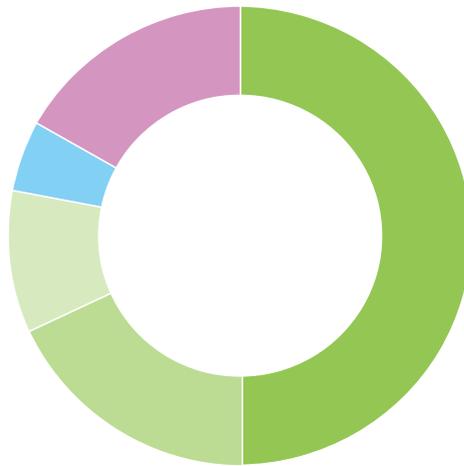
## Internet access

One in five (22%) CAP clients do not have personal Internet access, with neither access at home or on a smartphone. A further 10% are restricted in their ability to conduct in-depth tasks online, only having access via a smartphone.<sup>7</sup>

While public services, such as libraries, provide Internet access for free, this is often rationed and many lack the digital skills or confidence to make use of this resource. Only 5% use the Internet through a public source and do not have personal access as well. This is just 23% of those without personal Internet access, with some expressing concerns about the security of conducting tasks requiring personal information in a public environment.

Do you have internet access?

Percentage of CAP clients with internet access by type



|     |                                    |
|-----|------------------------------------|
| 50% | Yes - at home only                 |
| 18% | Yes - at home and on a smart phone |
| 10% | Yes - on a smart phone only        |
| 5%  | Yes - at local library or similar  |
| 17% | No                                 |

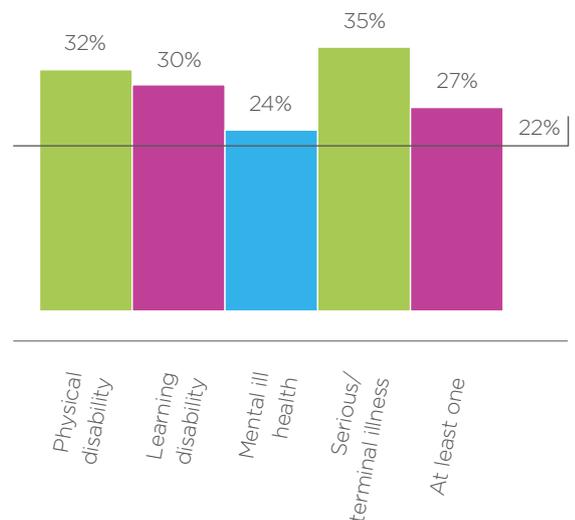
## Health conditions and disabilities

Despite Internet access levels among disabled people increasing in recent years, those with a health condition or disability, suggestive of vulnerability, are still significantly more likely to lack personal Internet access than those without.<sup>8</sup> CAP clients with a physical disability, mental ill health, learning disability, and/or serious or terminal illness were 42% more likely to lack personal Internet access, compared to those without any of these health conditions.<sup>9</sup>

In particular, having a physical disability or a serious or terminal illness were most strongly correlated with digital exclusion, with 32% and 35% of these groups respectively lacking personal Internet access.<sup>10</sup>

Internet by health condition

Percentage of clients with a health condition or disability, compared to 22% of all CAP clients, who lack personal Internet access



5 | These figures are from a survey of 1,210 people working with CAP to resolve their debts. This was conducted by post and online between September and November 2016

6 | Client demographics from CAP's 2015 client report available at [capuk.org/clientreport15](http://capuk.org/clientreport15).

7 | Ofcom (2016) 'Smartphone by default' users: a qualitative research report, found that many consumers who rely on a smartphone for Internet access struggle with important tasks, such as searching or applying for a job or finding housing.

8 | Internet access among people with a disability rose from 65% in 2014 to 79% in 2016, according to Ofcom (2016) Access and Inclusion in 2016: Outcomes for consumers in vulnerable circumstances.

9 | 27% of respondents with a physical disability, learning disability, mental ill health, and/or serious or terminal illness lacked personal internet access, compared to 19% of those without any of these. A difference of 8 percentage points or 42%.

10 | Note, while a greater proportion of those with a learning disability and those with mental ill health, lacked personal internet access than those without these health conditions, these differences were not statistically significant.



# Offline and shut out

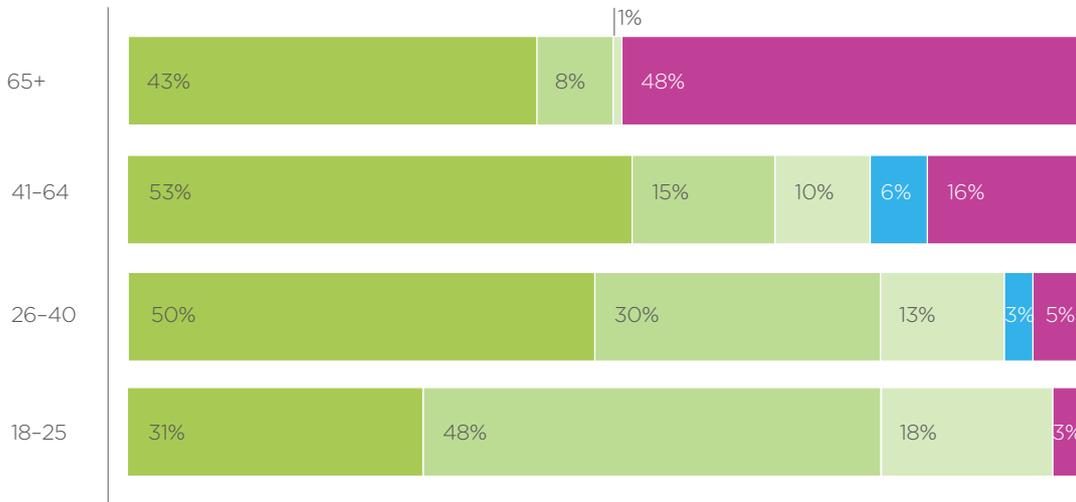
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## Age

Internet access by type and age



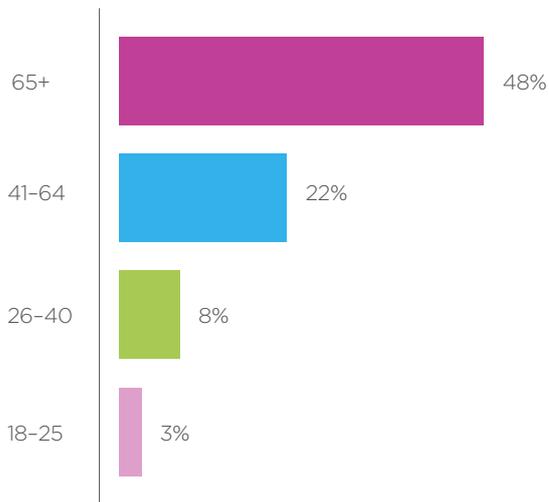
- Yes - at home only
- Yes - at home and on a smart phone
- Yes - on a smart phone only
- Yes - at local library or similar
- No

As is widely acknowledged, the proportion of people digitally excluded varies by age. Nearly half (48%) of CAP clients over 65 do not have personal Internet access, compared to 8% of those aged 26-40. The differences between those aged 18-25 and 26-40 are not statistically significant, however, once over 40 years CAP clients are significantly more likely to be digitally excluded than younger age groups. Furthermore, those aged over 65 are significantly more likely again to lack personal Internet access than those aged 41-64.

While more common amongst those over 40, it is key to note that digital exclusion is not confined to those in the oldest age groups. Only 11% of respondents were aged 65+ and therefore the high level of digital exclusion for the sample as a whole (22%) is not driven by an overrepresentation of older age groups.

There is also a notable pattern in the type of device used to access the Internet by each age group, with the 18-25 group nearly three times more likely to have a smartphone than the 41-64 group, who are also nearly three times more likely to have one than those over 65.

Proportion with no personal access to the internet by age





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## Real lives<sup>11</sup>

The people behind these figures are overlooked, disempowered and frustrated by being shut out. They have to pay more for their energy, struggle to find work and some cannot access the benefits they are entitled to. These are just a few examples from CAP clients which give an insight into the real experiences of many across the UK.



### Struggling to look for work

Rebecca found herself in debt when her relationship broke down and her business failed as a result. This impacted her mental health. Her only income is Jobseeker's Allowance and she cannot afford a computer or Internet access at home. She has a smartphone but cannot get signal in her home in Redruth.

She finds the time limits on the library computers make it difficult to find work. Volunteers from her CAP Debt Centre have offered her use of their Internet, but she is worried about being seen as taking advantage.



### Can't apply for jobs online

Claire has been out of work for more than four years. As a result, she was in severe problem debt, facing eviction, sacrificing meals and even considering suicide as a way out. Since CAP's help she is no longer suicidal and has joined her local CAP Job Club to look for work.

She has found that most jobs require an online application and struggles to complete these as her computer is too old to load PDFs and online forms. She is also worried about data security and is reluctant to enter personal information on the computers at her local library.



### Paying too much for energy

Francis was diagnosed with breast cancer in 2012 and had to give up work. She built up debt as a result. She is now in remission, looking for work and is finding the Jobcentre's support helpful.

Whilst on Jobseeker's Allowance her budget is tight and her utility bills account for a fifth of her income. Despite having Internet access, she does not understand how to use comparison websites or how to switch energy supplier, so has been unable to reduce her bills.



### Trouble applying for Universal Credit

Martine is unfamiliar with computers and suffers with severe arthritis which makes using them a struggle. She was supported to make a Universal Credit application online by a volunteer from the local CAP Debt Centre, using a computer at the Jobcentre.

It took a couple of trips to collect all the paperwork needed from her home. At this time she had no income and without this help she would not have been able to make the application or access the Jobcentre.



### Difficulty engaging with Universal Credit online

Clive needed help from his CAP Debt Coach to make a Universal Credit claim online as he was not computer literate and the Jobcentre was unable to assist him.

As he could not check his online account frequently enough, he then had his Universal Credit claim closed due to missing an appointment he was only notified about through the online system. This left him without any income for another six-week period whilst he made a new claim.

<sup>11</sup> | Client names have been changed to protect their identity.