

christians
against
poverty

CAP

*10 year celebration
Northern Ireland edition*

Client report

Changing perceptions

Published: April 2019

#lookagain

Changing perceptions

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Methodology

The statistics in this report are drawn from CAP’s annual report, analysis of data from CAP’s Debt Help case management system for 276 client households in Northern Ireland that had a financial statement activated for the first time in 2018, responses from Northern Irish clients to CAP’s annual Debt Help client survey conducted by post and online between 16 October and 30 November 2018 and 158 responses to CAP’s Group Services survey submitted by CAP Job Club, Fresh Start and CAP Life Skills members from across the UK throughout 2018.

About Christians Against Poverty

Christians Against Poverty (CAP) is a nationally recognised charity that works with over 500 churches to help the most vulnerable out of poverty across the UK. The services provided offer both practical and emotional support, are completely free and are available to all, regardless of age, gender, faith or background. Through a network of nearly 600 local services, CAP offers a free face to face debt management service, with advice and ongoing support provided from head office. As well as this, CAP tackles the causes of debt and poverty through its group services: CAP Job Clubs, CAP Life Skills and Fresh Start groups. In addition to this, CAP provides face to face adult financial education across the UK with over 600 partner churches running the CAP Money Course.

About Power NI

Power NI is Northern Ireland’s largest electricity supplier powering almost half a million homes and businesses. Our customers are at the heart of everything we do. We have been lighting up lives for generations with value for money energy options and excellent, local service. We energise communities, empower our charity partners and engage with key stakeholders to provide support for the vulnerable in our society. With access to many renewable energy sources we’re working towards a cleaner energy world that also offers our customers control, efficiency and convenience. Power NI employees are energy experts who are proud to serve you.



Acknowledgements

We would like to thank PowerNI for their generous sponsorship, which has made producing this report possible, as well as acknowledging all of the members of the team at CAP who have contributed to this report: Dawn Stobart, Helen Webb, Jonathan Shaw, Paul Walmsley, Chris Cupples, Alison Flanagan, Paul Livingstone, Alice Myles, Viv Prior, Becky Dellar, Claire Wong, Heather France, Kirsty Allen, Josh Sulc, Pete Croker, Michelle Swallow, Martin Cowles, Sarah Scarisbrick-Rowe, Rebecca Baylis, Robyn Sweeney and Jonathan Sisterson. Most of all, we are incredibly grateful to group service members Caroline, Alec and Heather, Debt Coach Wendy, and Patricia who has generously allowed us to feature her story and powerful poem in this report.

Executive summary



Each year, alongside the professional debt help we provide and our group services, we take around 850 clients on holiday. Our staff are encouraged to volunteer their time to help run these short UK breaks, and it is consistently a highlight of my year. When clients arrive, you can see it in their whole demeanour. They will not make eye contact. They're slumped over. Anxious. Worried about what people will think of them. Feeling they do not deserve to be there.

Watching that change over just those two days gives a glimpse of the true difference CAP's support makes. At the end of the break, there are heads held high with smiling faces. Fun has been had, friends made and families reconnected. Sometimes our greatest need is a change of perspective in order to remember who we are and what is important.

At CAP, it's all about our clients. We give people the tools and the self-belief to become overcomers. We offer a different narrative of how the world sees them. One which grows confidence and lets them know they are cared about and supported.

Our clients face huge challenges. We are on the brink of major changes to our consumer protections and welfare system, which for better or worse will have a large-scale impact. We are already seeing the transition to Universal Credit bite, as raised in our 2018/19 *Checking in* series, and are bracing ourselves for eight in ten of CAP clients to be affected by the end of the rollout.¹ We also await further details of whether the forthcoming statutory breathing space and debt repayment plan schemes will be inclusive and bring real benefits for people in the grip of financial crisis.

The people we meet are not simply disengaged from their creditors, but in complete social isolation (p20). On average, they owe the equivalent of 119% of their annual household income after housing costs (p11) - a seemingly insurmountable sum considering nearly half live below the poverty line (p8). They feel stuck in an inescapable cycle, many never having lived in a debt-free home, even as children (p9). This is the reality which our policies need to effectively work within.

The credit landscape continues to evolve under FCA regulation with improved protections for consumers of a range of high cost credit products. Yet little has been done to address insufficient access to convenient and low-cost credit for people on low incomes, and the underlying poverty that sees too many resorting to borrowing to meet their day-to-day living costs. In the energy sector, while the price cap means consumers are guaranteed a fairer deal, it does not promise affordable heat and light.

Going to bed hungry has become the new norm (p16). One in four of our clients have no carpets or curtains in their home and one in ten have been without a working boiler for six months or more because they could not afford to fix it (p19). It is not just one day without comfort, but one of many weeks in a cold, dark home. The poverty is relentless.

Yet, the good news is that in 2018 we helped 24,300² people, including 1,410 in Northern Ireland, take steps to change their situation. We saw 2,575 people become debt free, and many more grow in confidence through our Job Clubs and Life Skills groups or freedom from life-controlling habits through our Fresh Start groups.

2019 marks our ten year anniversary in Northern Ireland. What a journey it has been! In many ways little has changed since we first started out. Debt and poverty is still unashamedly evident in every home we visit, but the passion and commitment of the hundreds of churches who have partnered with us over the past decade shines ever brighter. Together we have helped over 6,700 people since 2009 in Northern Ireland.

As ever, our sights are firmly set on the needs of the people we help and those we are yet to meet who desperately need hope to walk in to their lives. As you read this report, I urge you to look again at the people and the problems it is often easier to overlook. We all have the potential to make a difference.

Matt Barlow
CEO - UK & International

Meet the team



In 2018, I celebrated 15 years of working at CAP. It has been a privilege to have been part of an organisation that has transformed the lives of so many people but, as this report highlights, the credit industry plays an important role in seeing clients become debt free. When I look back, I'm so encouraged by the strong relationships we've fostered over this time, and that my team continues to bring value within their respective industries, giving a voice to the voiceless, changing policy and improving operational links. The breadth of our reach is testament to the continued importance we place on knowing our clients and our influence is growing - thank you to all who help make this possible.

Dawn Stobart
Director of External Affairs



Chris Cupples
National Director, Northern Ireland
Leads CAP's work in Northern Ireland, Scotland and Wales promoting growth and maintaining key regional relationships.



Paul Livingstone
Partnership Manager, Northern Ireland
Inspiring churches, Christian organisations and referral agencies to partner with CAP and working to raise CAP's profile in NI.



Rachel Gregory
Social Policy Manager
Works with key contacts in the energy sector and oversees CAP's policy work and parliamentary engagement.

Christians Against Poverty at a glance



24,300

people helped in 2018 (inclusive of people interacting with more than one service)

327

Head office staff

4,000

frontline volunteers



2,575

people debt free in 2018

293

Debt Centres

124

Job Clubs

120

Life Skills groups

60

Fresh Start groups

1 | See capuk.org/checkingin 2 | Inclusive of people interacting with more than one service, and children living in households helped by CAP Debt Help.

Celebrating ten years



John Kirkby
Founder of Christians
Against Poverty

'As I look back on the past ten years of CAP in Northern Ireland and 23 years since I founded the charity in my back-bedroom office, I am blown away by how far we have come. When I received the first donation of just £10 back in 1996, I'd never have dared to imagine that CAP would become an award-winning international charity. Yet, in many ways nothing has changed. At our heart we're still about valuing each individual and letting them know there's always hope.'



Chris Cupples
National Director
Northern Ireland

'Having been part of one of the first CAP Debt Centres in Northern Ireland, it has been such a joy to see the church in Northern Ireland grab hold of CAP's vision and to now have 44 churches partnering with us. It is together that we can celebrate ten years of saving lives, restoring marriages, feeding families and bringing hope back to thousands of broken people. Here's to many more!'



Ally Moore
Befriender and one
of the first CAP
Debt Help clients in
Northern Ireland

'I am overjoyed to be able to give back to CAP for their help in a difficult time by being a befriender. Ten years on, I can give the first hand assurance that CAP works! I've seen the difference in my own life, as well as for many others. CAP provide a solution to the debt and give the support needed along the journey to becoming debt free.'

1996



John Kirkby founds Christians Against Poverty in Bradford

2011



10 CAP Debt Centres
in Northern Ireland.

2015



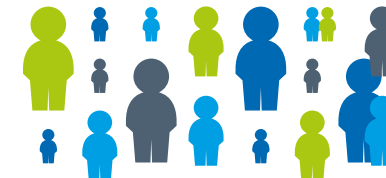
20 CAP Debt Centres in Northern Ireland.
Fresh Start launched (formerly known as CAP Release Groups). The Most Revd Justin Welby, Archbishop of Canterbury becomes Patron of CAP.

1997



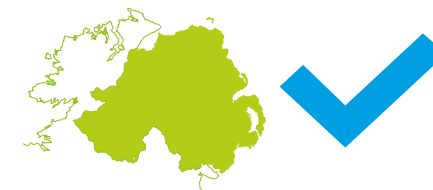
First CAP Debt Centre opens in Aldershot

2012



Granted Competent Authority status for Debt Relief Orders (DRO) in Northern Ireland.
1,000th person helped in Northern Ireland.

2016



National coverage achieved for CAP Debt Help in Northern Ireland. TRI Awards Insolvency manager of the year winner. John Kirkby wins Credit Strategy Decade of pioneers award.

2008



The CAP Money Course launches

2013



CAP Job Clubs launched. Insolvency and Rescue Awards Insolvency team of the year winner. CCR Magazine Contribution to the credit industry credit excellence award winner.

2017



9 CAP Job Clubs in Northern Ireland. CAP Life Skills launched. 5 Life Skills Groups in Northern Ireland. £1m raised for the first time at a single CAP fundraising dinner.

2009



First Northern Irish CAP Debt Centre opens

2014



100th household becomes debt free in Northern Ireland. The Martin Williams award for contribution to the credit industry winner.

2018



3 Fresh Start groups in Northern Ireland. 5,000th person helped in Northern Ireland. 450th household in Northern Ireland becomes debt free. 24,300 people helped in 2018.

*Christians Against
Poverty in Northern
Ireland today*



1,410

people helped in 2018 (inclusive of people interacting with more than one service)



152

people debt free in 2018

270

frontline volunteers

21

Debt Centres

10

Job Clubs

7

Life Skills groups

3

Fresh Start groups



failure, worthless, hopeless

Things were rocky from the start. Patricia got into debt as a teenager as she tried to help her family out after her mum had a stroke. Throughout her twenties the debts continued to grow, but she kept this secret from everyone, when her husband found out, their relationship ended. This is where her CAP story starts.

'I turned 18 not long after my mum's stroke, it was a really tough time. I found that people were willing to hand me credit, trouble was I didn't really understand it. I landed myself in about five grand's worth of debt by the time I was in my early twenties. I took out more credit cards and started to transfer balances between them attempting to keep up.

I got married young. My husband had suffered from Post Traumatic Stress Disorder in the past and soon into the marriage it flared up quite badly. I was having to pay for his counselling sessions, there was a court case too, and

before I knew it I was in £50-60,000 worth of debt.

I fell pregnant with my first child and thought to myself, "what am I going to do?" Before she turned one, my daughter had renal failure, it was so scary. We then had a son and it was at this point that my husband found out about the debt. The debt ruined our marriage.

I had been so scared that I'd told no one.

When he ended it, I didn't know what to do. I was really struggling with all that was going on, so I was given a family liaison officer from Women's Aid. My ex-husband phoned my Dad and told him about the debt. What I had been trying to protect him from all those years was then suddenly all out in the open. A month later Dad had a heart attack.

Things went from bad to worse. I entered into a custody battle with my ex. The divorce was so messy that we had to get a social worker. It all cost so much. It was at that point that things got bad, really bad. There were times we were without electricity, it was so cold. We rarely had food, I had to visit the foodbank, it was so hard.

I felt like I'd failed my kids, it was soul-destroying.

I remember feeling like my heart was wrapped in barbed wire with the anxiety. My mind was so distracted.'

Many of the people CAP helps have faced a long road of difficulties and setbacks. Poverty brings lack of opportunity, erodes resilience and starves social capital. This leaves people in a precarious position, standing at a cliff-edge with no safety net, surviving as best they can day-to-day. This is the context within which a debt crisis breeds. The roots of the problem go back much deeper and further than the point at which the debt balance started to bite.

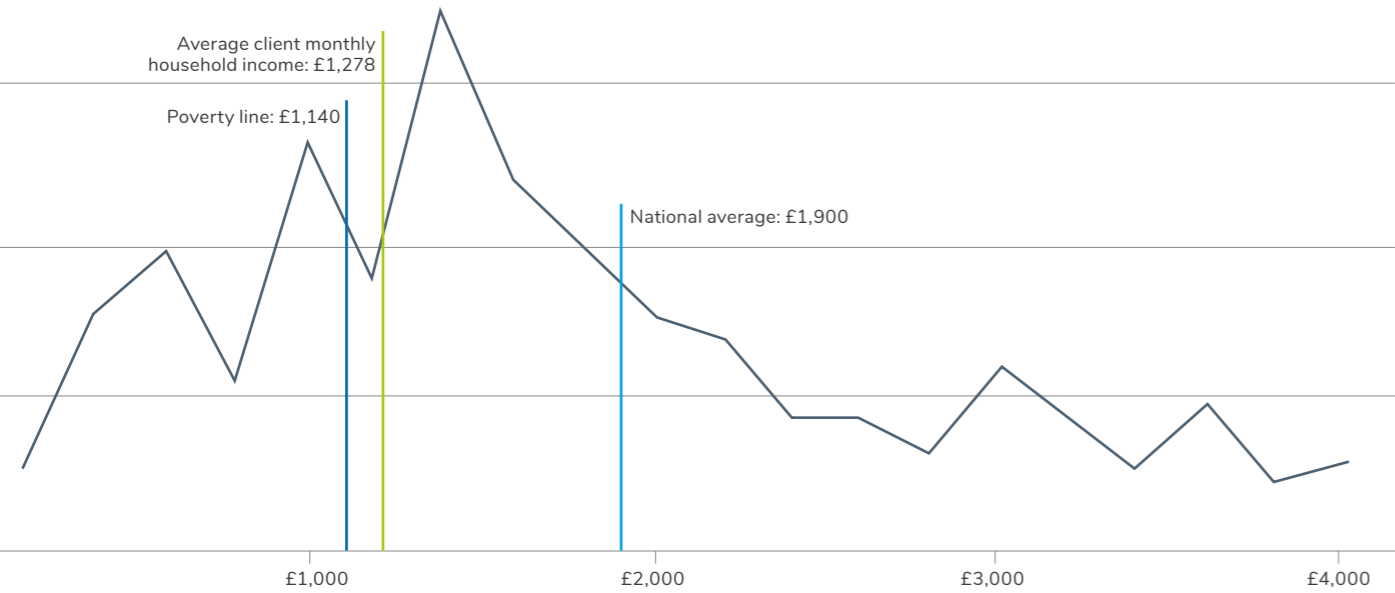
Patricia

'My mum had a stroke when I was 17 and by the time I turned 18, credit was just readily available to me and I got myself into a bit of debt. I was trying to lighten the load for my dad, as I had siblings. I didn't really understand credit, but started to transfer the balances between the cards.'



Income distribution

Distribution of monthly household income after housing costs of new Northern Irish clients in 2018:



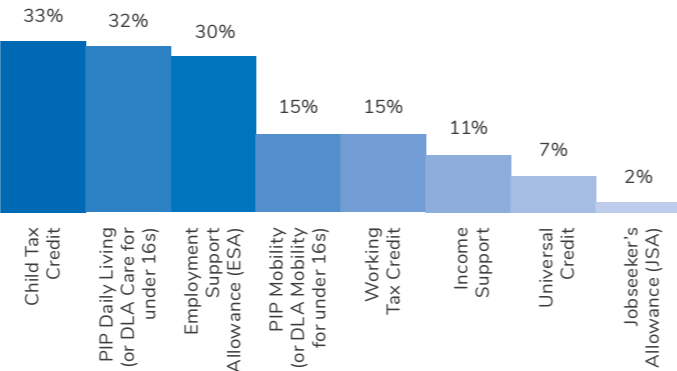
3 | Calculated using DWP Households Below Average median annual household income after housing costs for financial year ending 2018 of £22,800 published March 2019 and poverty line taken as 60% of this. 4 | Average annual household net income after housing costs for all new clients in 2018. 30% have less than £10,000 annual household net income after housing costs.

A financial knife edge

Living on a low income is a truly enormous challenge. More than four in five (84%) CAP clients in Northern Ireland have an income lower than the UK national average and 48% live below the poverty line.³ With an average household income after housing costs of £15,341 a year and a quarter (27%) living on less than £10,000 a year, CAP clients walk along a financial knife edge.⁴ Many CAP clients in Northern Ireland rely solely on benefit income (35%) and are vulnerable to delays and disruptions in these payments. In total, 80% of CAP clients in Northern Ireland receive some form of benefit income and the breakdown of this is shown in the graph below.

Benefits

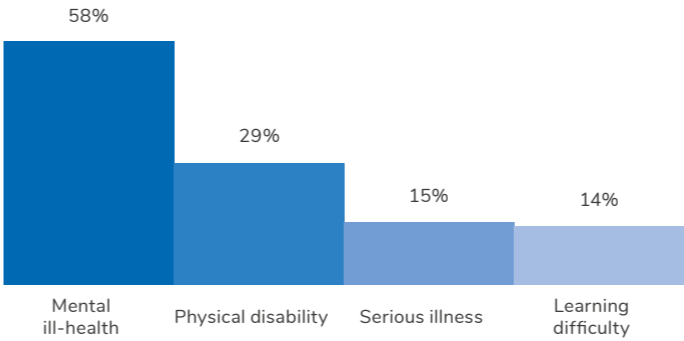
Proportion of new Northern Irish client households in 2018 who received:



Health risks

Disability and ill-health

Proportion of Northern Irish client households in which someone has:



Mental ill-health is pervasive. Three in five (58%) households helped by CAP in Northern Ireland are affected by mental ill-health, which is approximately three times the national average of one in five of the Northern Irish population who suffer from a mental ill-health condition at any one time.⁵ Almost two in five (38%) Northern Irish clients have a key support issue registered on their case that flags their need for extra support. For one in three (36%) clients this includes a key support issue relating to mental ill-health. Most commonly this relates to depression and anxiety/panic attacks, but also includes bipolar disorder, post-traumatic stress disorder and agoraphobia, which is often coupled with other physical health challenges. 15% of CAP clients in Northern Ireland have a serious illness and 29% have a physical disability.

48% live below the poverty line

30% have less than £10,000 annual household net income (after housing costs)

Inescapable cycle

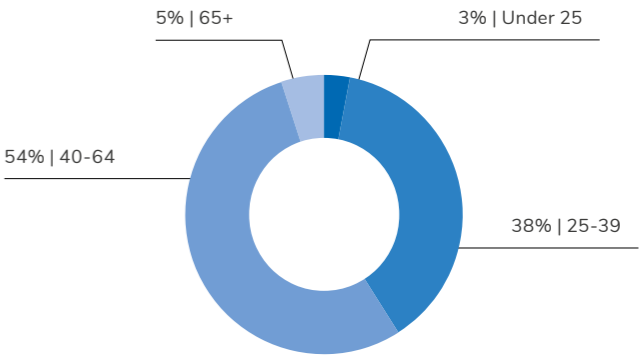
Poverty has an intergenerational impact. Just over a quarter (28%) of CAP clients in Northern Ireland grew up in a household affected by debt and four in five (79%) CAP clients say debt negatively affected their children (p11). In this situation debt becomes normalised. It is assumed to be an inescapable part of life. Financial security is extremely hard to attain when low income means today's needs take priority. 94% of Northern Irish clients were unable to save and so had no money to fall back on when they entered financial difficulty. As the age breakdown of CAP clients shows, many clients were unable to escape this cycle of debt far into their adult life.

28% grew up in a household affected by debt

94% were unable to save for a rainy day

Age breakdown

Proportion of new Northern Irish clients in 2018 who were aged:



5 | Making Life Better, DHSSPS, June 2014, page 18, https://www.health-ni.gov.uk/sites/default/files/publications/dhssps/makinglife-better-strategic-frame-work-2013-2023_0.pdf

Breaking point

The breaking point for CAP clients is not a single punch. Instead, it comes after a continuous and relentless battle. This is what pushes them into a place of defeat. It is in this place they feel helpless, unsure where to turn or what to do. It can be a place of shock or denial, but above all it's a place of fear. When life suddenly comes crashing down, it feels like the point of no return. Finances begin to spiral out of control. Health and relationships begin to deteriorate as stress kicks in.

Patricia

'My marriage was breaking up, I had two young kids, one who was very ill. My ex phoned my Dad, told him about the mess I was in. Within a month of that my brother was attacked and lost the vision in one of his eyes, then a month later my Dad had a heart attack. It all got too much.'

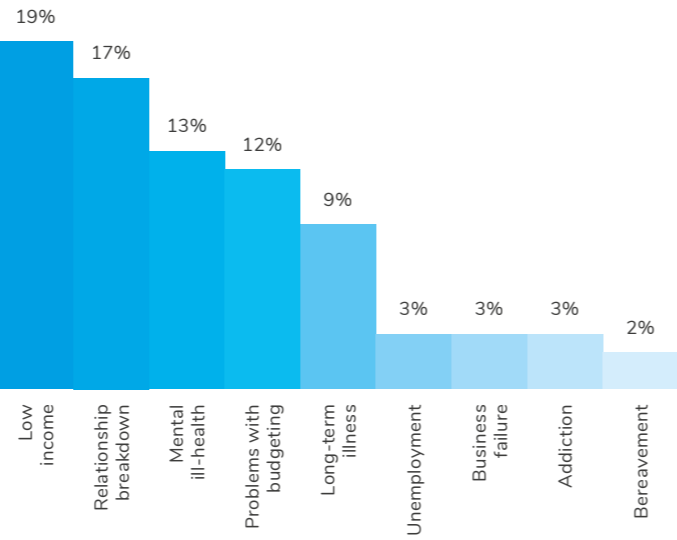


Trigger point

The main reasons given by CAP clients in Northern Ireland for the start of their debt problems vary little from year to year. Consistently, low income comes out top as the primary reason for their debt, accounting for just under one in five Northern Irish clients (19%). This is followed by relationship breakdown (17%) and mental ill-health (13%). Yet in reality the reasons are multiple and they interplay to create crisis situations after someone's resilience has been eroded. For instance, while only 2% of Northern Irish clients say bereavement is the primary reason for their debt, overall 23% are struggling to come to terms with a bereavement.

Primary reason for debt

Proportion of new Northern Irish client households in 2018 who gave the following as the primary reason for their debt crisis:



Deteriorating health

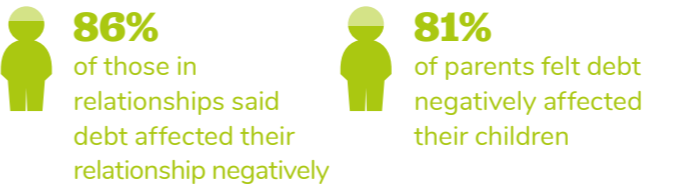
The pressure of debt takes a toll on both mental and physical health. Nearly nine in ten (87%) CAP clients in Northern Ireland had sleepless nights because of debt, and 77% said their mental health deteriorated because of debt worries. Just over a quarter (26%) also found their physical health was affected and 51% of Northern Irish CAP clients visit their GP as a result of the strains debt places on their health. More than two in five (43%) are prescribed medication or counselling after visiting their GP. In some cases clients also self-medicate by turning to drugs or alcohol.⁶



Families under pressure

More than four in five (86%) Northern Irish CAP clients in relationships said debt had caused arguments, causing complete relationship breakdown in just over a third (34%) of cases. In Northern Ireland, 38% of CAP clients live in households with children, almost three in ten (27%) of whom are lone parents.

The impact debt has on these children is far reaching, from taking a toll on their emotional wellbeing, to parents being unable to provide adequate food or clothing and feeling that their debt was affecting their children's future life chances.⁷ Where parents are struggling to provide for their children, feelings of guilt and shame are particularly acute. 71% of Northern Irish CAP clients with children said being in debt made them feel like a bad parent.



Financial spiral

As financial difficulty sets in, people struggle to keep up with contractual debt repayments and household bills. Attempting to juggle these commitments sees many people take out more credit, cut back on essentials and build up arrears to try to keep up with the insurmountable demands for payment they are receiving.

31% of CAP clients in Northern Ireland fell behind with one or more priority bills and 71% took out credit to pay a household bill or another debt.⁸ This culminated in an average outstanding debt balance of £18,224 for new client households in 2018. This is equivalent to 119% of Northern Irish CAP clients' average annual household income after housing costs and would take on average more than 32 years to repay without access to alternative debt solutions.

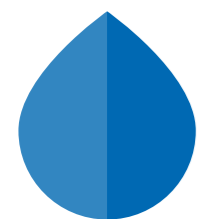
In Northern Ireland, new CAP clients in 2018 owed money on average to nine different creditors. There was a 3.5:1 ratio of non-priority to priority creditors and the graphs on page 13 show the most common types of debt within these categories.⁹ In Northern Ireland one in five (20%) clients have also borrowed from a close friend or family member, putting pressure on their most significant personal relationships.

6 | Of Northern Irish CAP clients, 26% turned to drugs or alcohol because of debt. 7 | When asked, 'Did debt negatively affect your children?', 71% said 'it made me feel like a bad parent', 58% said 'it made me feel like I was impacting their future life chances', 34% said 'it affected their emotional wellbeing', 22% said 'it affected their mental health', 13% said 'it affected their school performance' and 5% said 'it affected their physical health'. 8 | This includes gas, electric, Rates, mortgage, rent and TV Licence. 9 | Priority creditors are those who can effect more serious consequences if the debt is not paid. This includes rent, mortgages and secured loans, court fines, benefit overpayments, tax debts, as well as arrears on essential household bills. Non-priority debts are not typically secured on anything of value, and mainly owed to consumer credit lenders such as credit card companies or high street banks.

Debt outlook

Top five priority debts

Proportion of new Northern Irish client households in 2018 who sought help for the following types of debt:



15%
Rates arrears



13%
Mortgage arrears



9%
Benefit overpayment



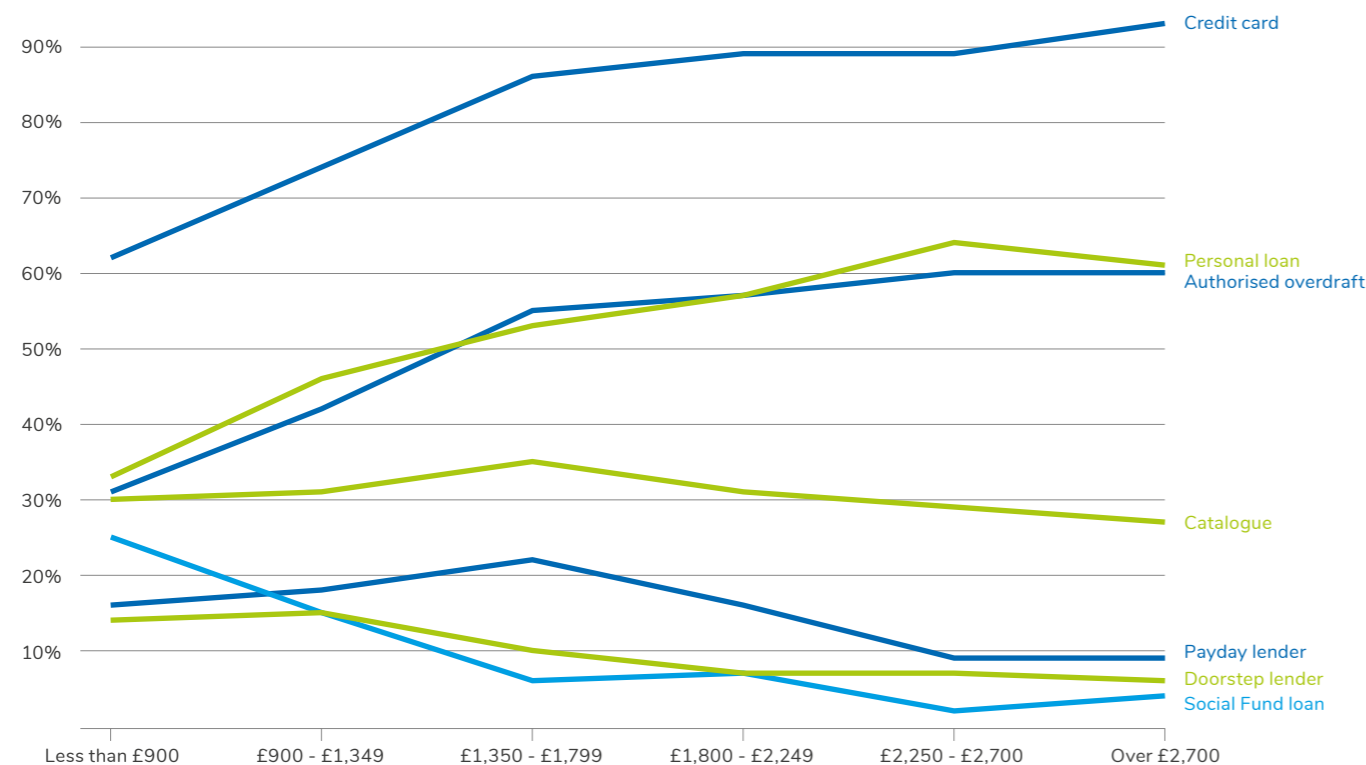
5%
Rent arrears



3%
Secured loan

Type of credit compared to income*

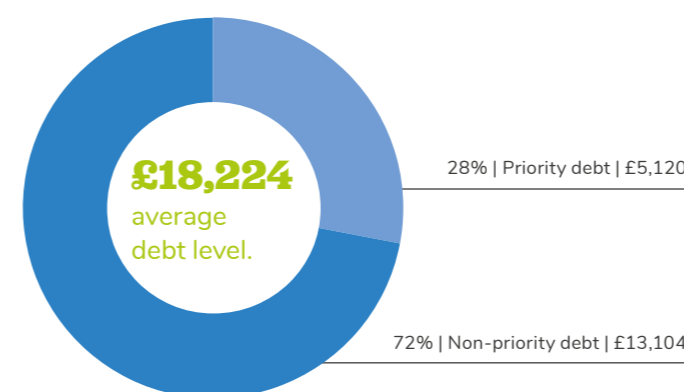
Proportion of client households who used the following forms of borrowing:



* Note: this comparison is based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses.

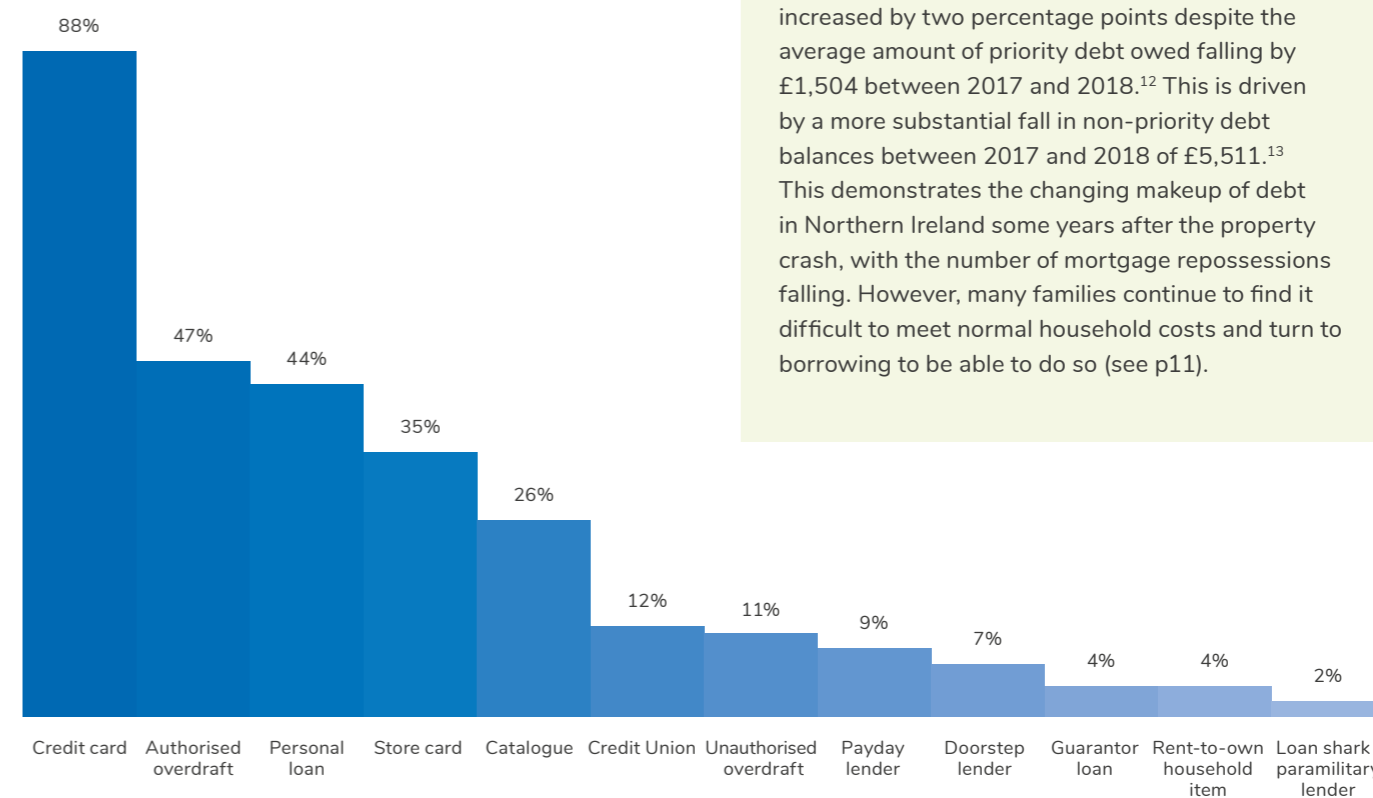
Debt make-up

Average debt balances when seeking help for new Northern Irish client households in 2018:¹⁰



Top non-priority debts

Proportion of client households in Northern Ireland who used the following forms of borrowing:



10 | Peak debt level taken from first three financial statements for priority debts, and current non-priority debts. 11 | UK-wide new CAP client households in 2018 owed on average £5,685 in priority debt compared to £5,120 in Northern Ireland. 12 | Priority debt as a percentage of average total debt owed by new Northern Irish client households in 2018 rose to 28% compared to 26% for new Northern Irish client households in 2017. 13 | In 2018 new Northern Irish CAP clients owed £13,104, compared to £18,614 for new clients in 2017.

FOCUS ON Priority debt

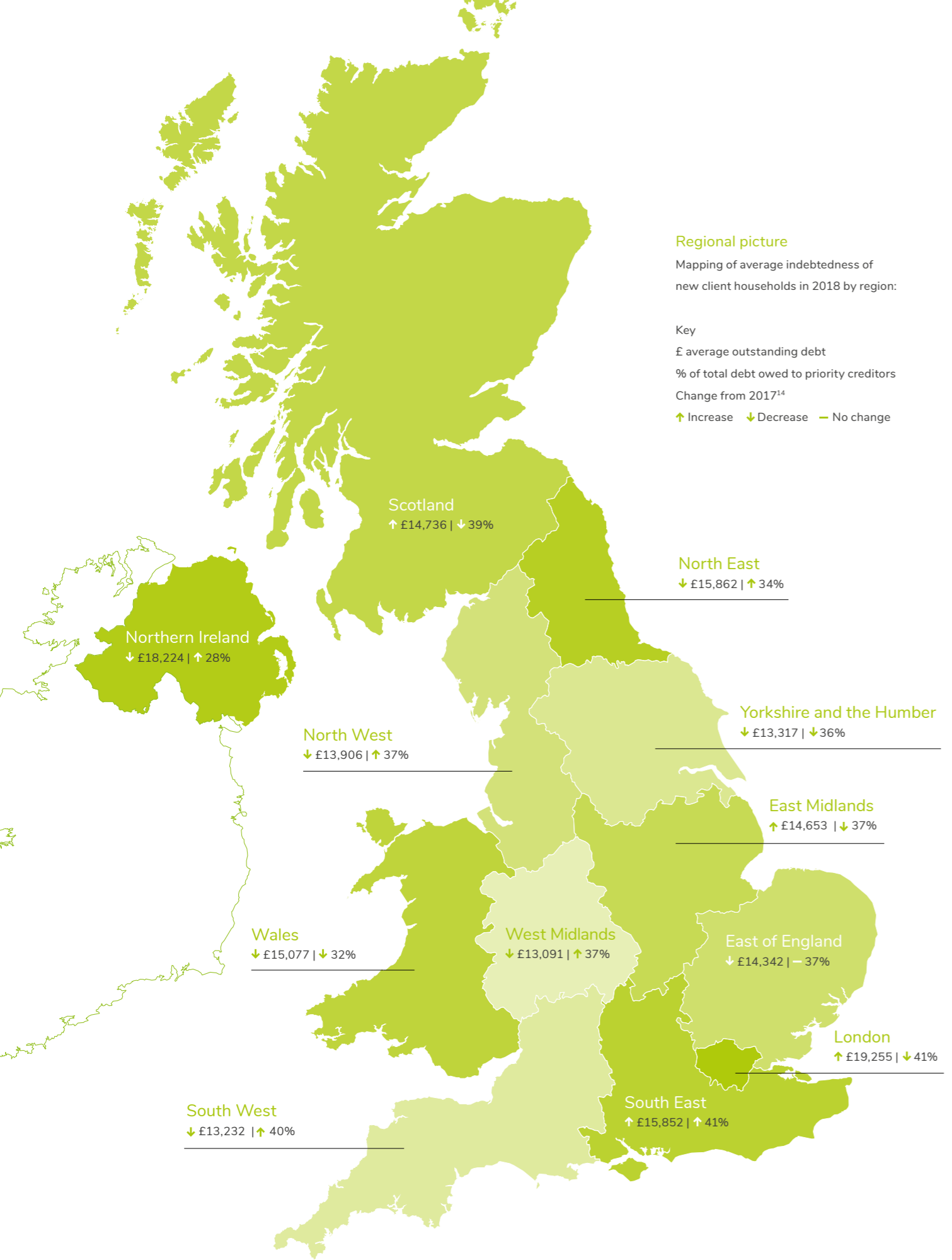
28% of average outstanding debt is owed to priority creditors



On average, clients have nine different debts when they start working with CAP. Of these, two are priority debts.

On average new Northern Irish clients in 2018 owed £5,120 to priority creditors, £565 less than the average for CAP clients UK-wide.¹¹ This reflects a number of differences between Northern Ireland and Great Britain, such as the fact that Northern Ireland does not have separate water charges and has one central government body collecting rates. The Enforcement of Judgements Office takes a more proportionate approach in its collection practices in comparison to enforcement agencies used to collect equivalent debts in Great Britain, and this results in fairer practice in Northern Ireland.

Priority debt as a percentage of total debt owed by new Northern Irish CAP clients in 2018 increased by two percentage points despite the average amount of priority debt owed falling by £1,504 between 2017 and 2018.¹² This is driven by a more substantial fall in non-priority debt balances between 2017 and 2018 of £5,511.¹³ This demonstrates the changing makeup of debt in Northern Ireland some years after the property crash, with the number of mortgage repossessions falling. However, many families continue to find it difficult to meet normal household costs and turn to borrowing to be able to do so (see p11).



14 | This comparison is against average peak total debt levels and the percentage that is owed to priority creditors of new client households in 2017 which were: East Midlands £14,108 (41%), East of England £14,827 (37%), London £15,495 (44%), Northern Ireland £25,238 (26%), North East £16,525 (32%), North West £14,510 (33%), Scotland £13,788 (41%), South East £14,965 (38%), South West £14,970 (35%), Wales £15,082 (35%), West Midlands £13,924 (33%), Yorkshire and the Humber £14,706 (38%).

Out of hand

Too often, hardships and hurts endure for long periods. The situations people face trigger landslides: relationships break down, homes are repossessed, health deteriorates and lives spiral into decline. The threat of debt collection, enforcement action or eviction perpetually hangs in the air with no respite, no relief and no peace. People become demoralised, defeated or even suicidal. Life becomes a very dark place as people withdraw, suffocated by their situation. Out of this dark place springs fear of what the future holds. This fear can often lead to inaction as all efforts to resurface are exhausted and hope is lost.

Living in fear

The pressure of living in debt and the inability to solve their problems sees as many as four in five (80%) of Northern Irish CAP clients scared to open their post, seven in ten (71%) afraid to answer the phone, and one in two (51%) scared to open their door. For many of CAP's clients, fear even prevents them from seeking help. On average, CAP clients in Northern Ireland waited between one and two years after their financial difficulties started before seeking help with their debts, but a third (33%) delay by more than three years.

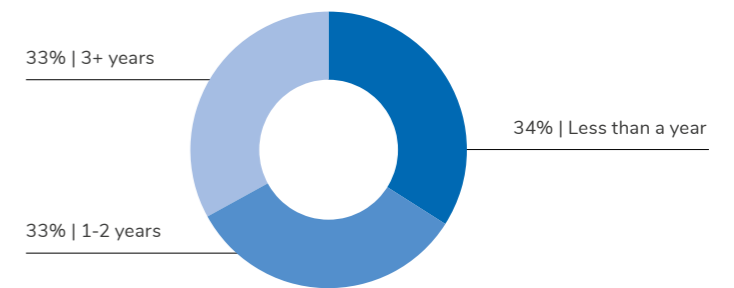
While many delay because they initially think they can sort their debts out themselves (63%), shame or embarrassment (54%) and fear (35%) also cause paralysis in seeking help. Just over two fifths of CAP clients in Northern Ireland (43%) also did not know where to get help. Tragically, 35% of UK-wide CAP clients considered or even attempted suicide as a way out of debt.¹⁵

35% have considered or even attempted suicide as a way out of debt

15 | Note: this statistic is from the 2017 Debt Help Client Survey of 1,080 CAP clients. An equivalent question was not included in the 2018 survey.

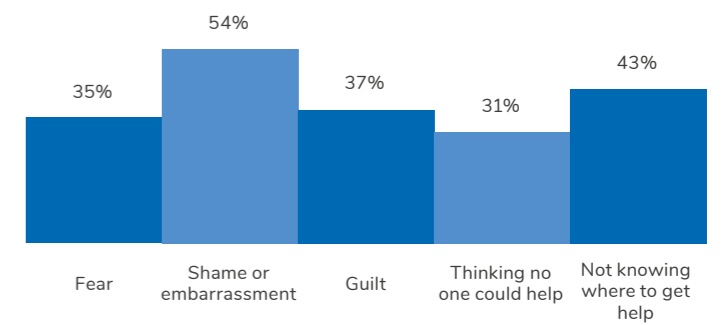
Delay in seeking help

Proportion of Northern Irish clients who waited the following duration before seeking help:



Reasons for the delay

Proportion of Northern Irish clients who waited to get help because of:



Patricia

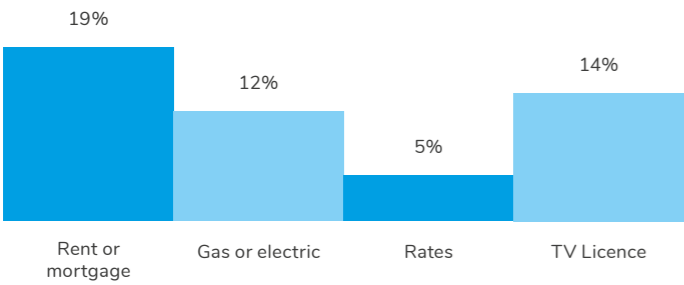
'I remember feeling like my heart was wrapped in barbed wire with the anxiety. My mind was so distracted. Then we got an eviction notice, with only four weeks to get out. I didn't know what to do!'

A relentless juggling act

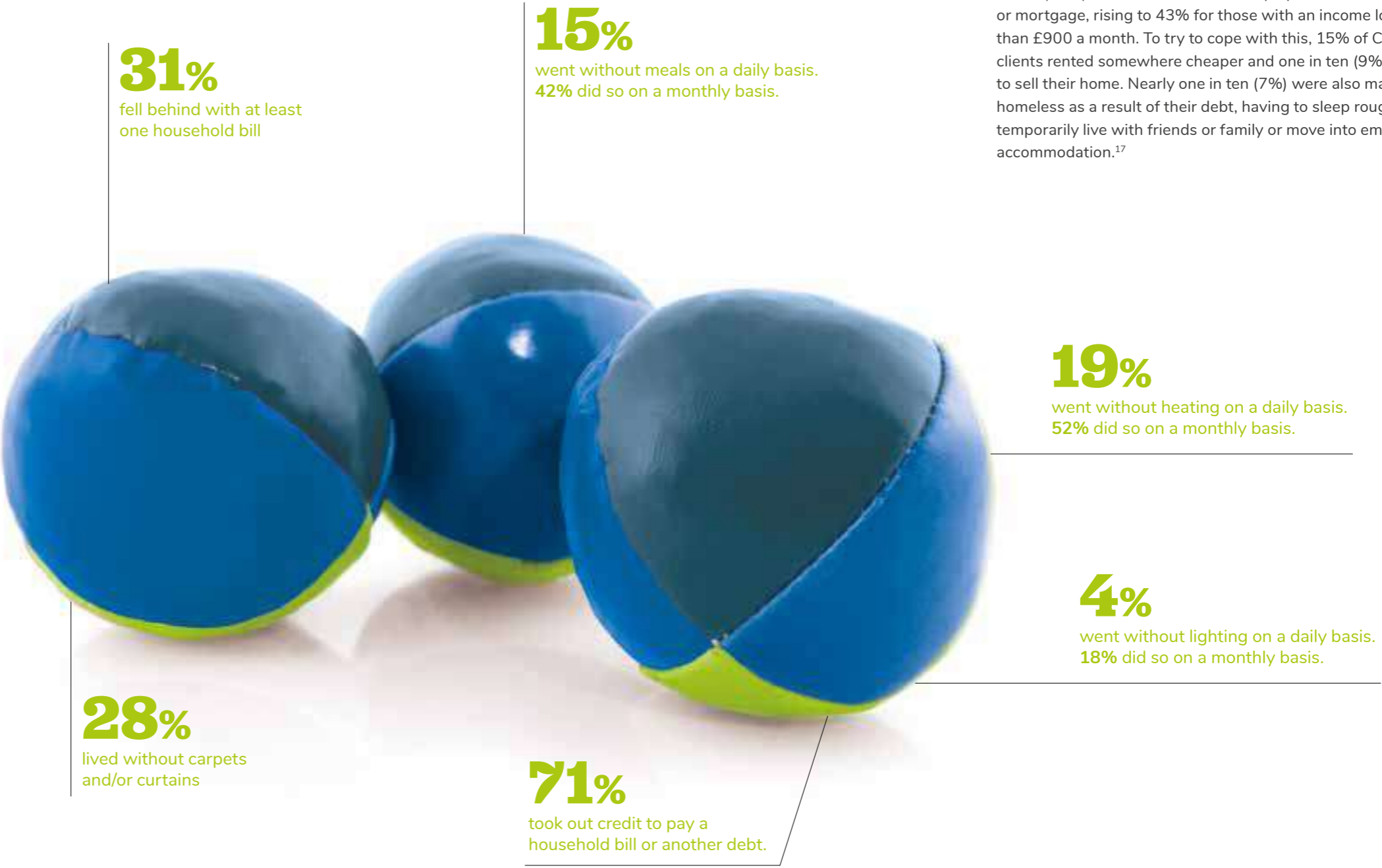
The daily drudgery of living in debt is inescapable. The impact of being unable to make ends meet and juggling bills leaves people without money to buy the essentials. Not only does this affect them practically, but also emotionally, causing people to perceive their situation as hopeless or themselves as having failed their families. Just over three in five (62%) of CAP clients in Northern Ireland could not afford appropriate clothing for the weather and just over two in five (45%) could not afford basic toiletries. From skipping meals and frequently going to bed hungry, to living in cold, dark homes, there is no respite. The cost of oil for heating means self-disconnection is widespread. More than half (52%) of CAP clients in Northern Ireland went without heating at least once a month, with one in five (19%) doing so daily.

Behind on the basics

Proportion of Northern Irish clients who fell behind with any of the following bills at some point while in financial difficulty:



Whilst grappling with their finances, nearly a third (31%) of Northern Irish CAP clients have fallen behind with at least one household bill, and this is more prevalent amongst clients on lower incomes.¹⁶ Of particular concern is that almost one in five (19%) have been unable to keep up with their rent or mortgage, rising to 43% for those with an income lower than £900 a month. To try to cope with this, 15% of CAP clients rented somewhere cheaper and one in ten (9%) had to sell their home. Nearly one in ten (7%) were also made homeless as a result of their debt, having to sleep rough, temporarily live with friends or family or move into emergency accommodation.¹⁷



16 | Note: this comparison is based on UK-wide clients. 17 | This includes living in emergency council accommodation (3%), moving in temporarily with friends and family (6%) and sleeping rough (1%).

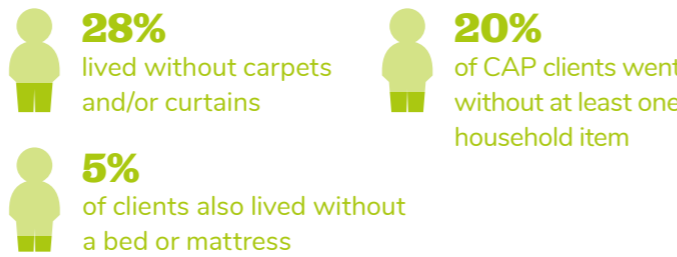
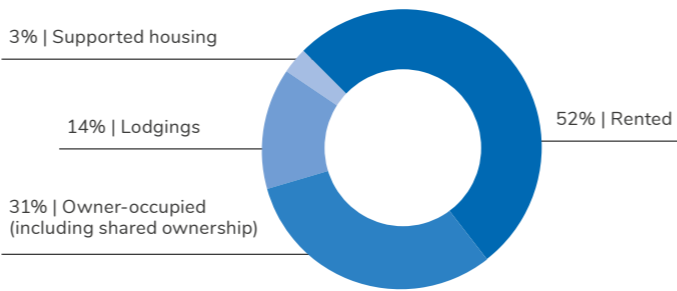
Living without

Prolonged financial difficulty also means that buying or replacing essential household items is difficult. These items are expensive and often unaffordable for people living on a low income and with the additional pressures of repaying debts. Without a savings buffer, it can be impossible to pay for repairs or new items.

One in five (20%) Northern Irish CAP clients went without at least one household item because they could not afford them.¹⁸ Shockingly, 5% of clients also lived without a bed or mattress and 4% without a cooker because they could not afford one. More than a quarter (28%) did not have curtains and/or carpets in their home. More than one in ten (13%) also lived without a working boiler for six months or more because they could not afford to repair it; most commonly this affected people aged between 40 and 65.¹⁹

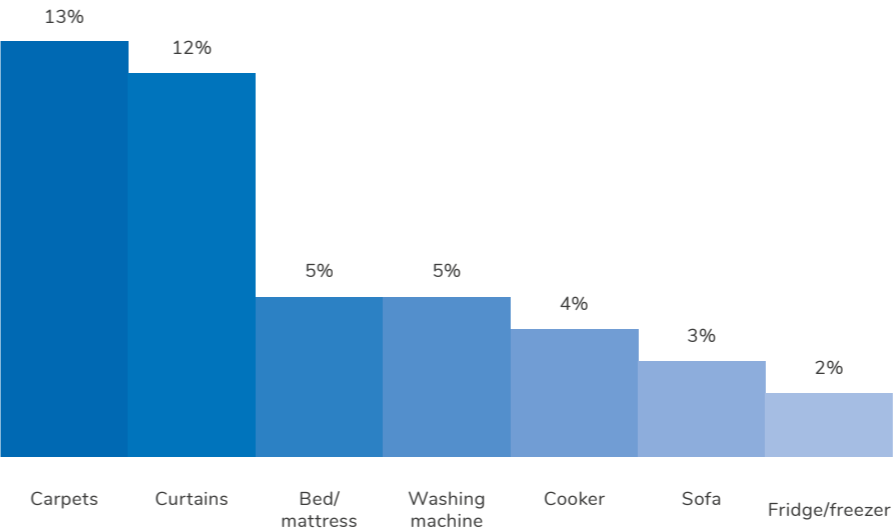
Tenure

Proportion of new Northern Irish client households in 2018 who lived in the following types of accommodation:



Living without the essentials

Proportion of clients who went without the following household items because they could not afford them:

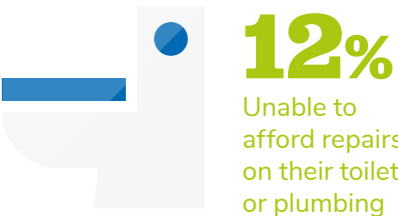
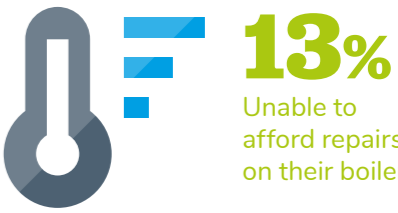
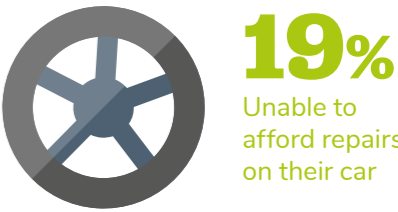


Patricia

'There were times when we were without electricity, we were way out in the country in an old house. I needed to keep the kids in school, but it was a 30 mile round trip twice a day, petrol was expensive and it meant we didn't always have food.'

Unable to afford repairs

Proportion of Northern Irish clients who went without the following item or appliance for six months or longer because the item broke and they could not afford to repair or replace it:



18| This includes bed/mattress, washing machine, cooker, fridge/freezer and/or sofa. 19 | Note: this comparison is based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses. 12% of UK-wide CAP clients aged 41-64 did not have a working boiler for six months or more because it broke and they could not afford to repair or replace it, compared to 4% aged 26-40 and 8% aged 65+.

Social isolation

As the pressure to make repayments mounts, and means to do so dry up, disengagement is common place. Four in five (80%) CAP clients say they were scared to open the post and seven in ten (71%) to answer the phone before help. The fear of being confronted on the doorstep also sees nearly one in two (51%) scared to open the door, and even to leave the house (38% of CAP clients were afraid to leave the house before help). Yet the true experience of isolation goes far beyond hiding from creditors, debt crisis often pushes people into complete social isolation.

Debt causes people to withdraw for many reasons. It may be that they cannot afford to socialise, feel ashamed of the situation they are in, or may have mental health problems causing them to become reclusive. 85% of Northern Irish CAP clients report signs of being socially isolated or feeling lonely.²⁰ One in five (20%) did not leave the house for a week or more while in debt and more than twice as many (42%) did not see friends or family because of the cost. This was particularly the case for clients in receipt of ESA and Universal Credit.²¹ More than half (52%) of CAP clients live in single person households in Northern Ireland and 27% are lone parents. Without close friends or a strong support network, people can feel hugely isolated.



85%

felt lonely or socially isolated

42%

Choose not to see family or friends because of costs

20%

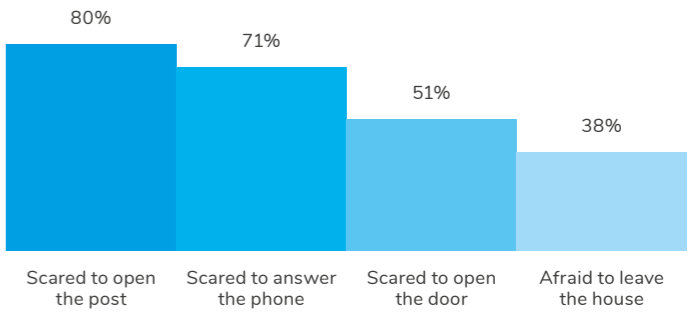
Did not leave their house for a week or more

7%

Spent Christmas Day alone

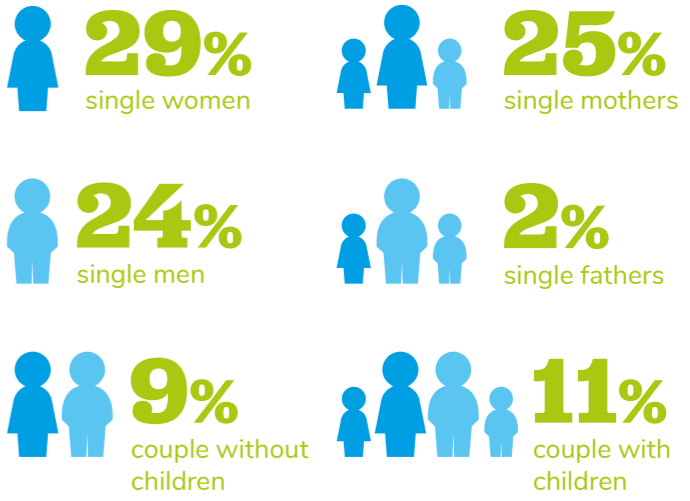
Living in fear

Proportion of Northern Irish clients who said debt made them:



Household type

Proportion of new Northern Irish client households in 2018 who were:



20 | This includes feeling alone (64%), not leaving the house for a week or more (20%), choosing not to see family or friends because of costs (43%) and spending Christmas Day alone (7%). 21 | Note: this comparison is based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses. 35% of UK-wide clients in receipt of ESA did not leave the house for a week or more, 43% chose not to see friends or family because of the costs, and 26% spent Christmas Day on their own. For clients in receipt of Universal Credit, 32% did not leave the house for a week or more, 41% chose not to see friends of family because of the costs and 28% spent Christmas Day on their own.



resolve, hopeful, supported

After the divorce I got together with Phil, who I knew from school. He had recently split from his wife, was having to pay the mortgage himself, so things were pretty tight. I remember for a few Christmases we had to send the kids to our ex-partners, hoping they would be able to provide a good time for them.

I had been going to Women's Aid and doing some courses there. One day my Family Liaison Officer recommended that I call CAP. I was so ashamed, thinking they were going to judge me because I was in so much debt.

When I called, I was immediately put at ease.

I knew everything was going to be okay. I just needed to provide the information they asked for, then they would do the rest.

I was visited by Wendy, my CAP Debt Coach and a Befriender, Maggie. These ladies are both amazing, absolutely fantastic. I had so much going on, and they kept coming to see me and going through everything with me. From then things started to change.

Things were still tight, but I had found hope.

I remember it was my son's birthday and for the first time we had a bit of money and could have a birthday party for him. Yet no matter how hard I tried to budget, a few things popped up that month which meant I was around £100 short for the party. I called Maggie, my Befriender in tears, and I couldn't believe it when the next day she showed up at my house with bags of food and some money from the church to help towards the party. It blew me away!

Phil's kids came to live with us, which made five in total. Having CAP's help and being able to be honest about my struggles for the first time gave me a fresh start. I said to Phil:

*'life's going to begin for me at 40'.
I was determined everything was going to change.*



Home visits

CAP's home visiting model enables clients to speak with someone face to face. The Debt Coach is able to listen to the whole situation and then provide holistic and bespoke support. Each CAP client receives three home visits from a CAP Debt Coach.



Resolving crises

Being in the home and listening to clients, Debt Coaches are able to deal with crisis needs. This includes providing emergency food where cupboards are empty, issuing fuel vouchers to heat a cold home and preventing evictions or halting court action. All this helps clients to get back on their feet.



Making a plan

Once the immediate crisis has been addressed, CAP can then proceed to compile information and put together a plan. The final home visit allows the Debt Coach to explain in person the options for the route out of debt and answer any questions.

Bringing stability

By meeting people where they are and first bringing stability to a situation, they can then start to face the wider debt problem. CAP does this through:

In Northern Ireland

425

home visits in 2018

99%

rated their Debt Coach as 'excellent' or 'good' at being friendly

98%

rated their Debt Coach as 'excellent' or 'good' at being non-judgemental

In Northern Ireland

78%

received practical help alongside debt advice²²

85%

received emotional support from their local centre²³

21%

received help to increase the security of their housing²⁴

In Northern Ireland

234

households received debt advice in 2018

66%

said working with CAP enabled them to sleep better

96%

rated their Debt Coach as 'excellent' or 'good' at making things clear



The power of stability

When people come forward for help, often at the point of desperation, they know something needs to change. For CAP clients, that phone call to our Freephone line is the first step in their journey out of debt. The first objective is to bring stability to the situation – you cannot resolve the debt issue until the immediate crisis is addressed. Frontline staff are well placed to be able to see and tackle the immediate needs: ensuring cupboards are restocked with food, court action is halted or fuel vouchers issued. Consequently, space is provided to create a plan, instil belief in a way out and restore hope. The first buds of hope begin to spring – change appears to be possible now there is a plan. This is powerful, bringing a change in perspective, a new resolve and a brighter outlook.

Patricia

'I was scared I was going to be judged but at the first visit I was put immediately at ease. Wendy brought a food hamper round and told me everything was going to be okay. I remembered sitting with her in tears of relief. As I started working with CAP they just did more and more, bringing fresh bread, food hampers, they once even got us tickets to the cinema.'



FOCUS ON Referrals

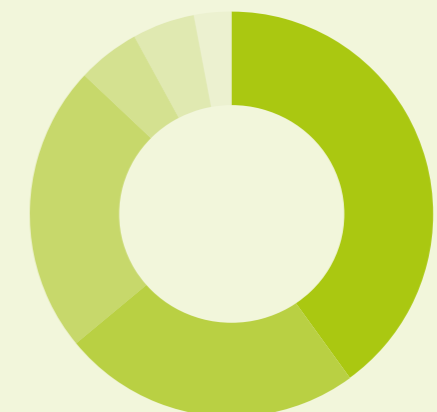
18,136

people called CAP for debt help in 2018

Referral partners are a key catalyst in many clients' journeys out of debt. For 43% of CAP clients in Northern Ireland, not knowing where help was available was a key reason for not seeking help sooner. Word of mouth is the largest referral source in Northern Ireland (40%), as friends and family share about the positive difference CAP's help has made to them or others. This is followed by cross-referrals from other CAP services and churches (24%), and referral agencies, including creditors (23%), who are well placed to identify individuals who would benefit from CAP's help, signposting them to the Freephone line. As well as national partnerships, Debt Centres build links with local community organisations to reach more disengaged people. Referral agencies and creditors also then play a role in supporting the individual, whether that is through providing forbearance or offering other complementary services.

Referral sources

Percentage breakdown of referral sources for new Northern Irish clients in 2018:



40% | Word of mouth
24% | Church and other CAP services
23% | Referral partners
5% | Public bodies
5% | Press and promotional material
3% | Other

22 | 56% received a food shop/parcel/voucher, 62% received a Christmas hamper, 6% received a household item (e.g. washing machine, fridge), 2% were helped with a benefit application and 7% received a fuel voucher. 23 | 75% were invited to a client or church event, 44% received supportive phone calls, 44% received supportive texts, 30% met up for coffee or similar, 11% were accompanied to an appointment and 5% were accompanied to court. 24 | This included paying rent/mortgage arrears through a CAP Plan (18%), help with court action (3%), help to stop an eviction/repossession (3%) and help to find alternative accommodation (3%).



Tools to move forward

Once the debt information has been compiled, the budget created and the route out of debt decided, the journey is well underway. CAP clients can see the end in sight; it's attainable and the future is so much brighter. Whilst not everything is resolved – income may still be low, health conditions may still be present – something has changed: there is now hope. Hope is a powerful feeling, it generates optimism. Those who felt defeated transform into overcomers.

Debt management

Once a route out of debt has been decided, clients receive support from one of CAP's long term teams, entering into a Debt Management Plan (DMP) or pursuing a form of insolvency. In some cases, where a route is not clear, they will be helped by the Resolutions team until a suitable solution is reached. CAP will remain with the client until they go debt free, providing ongoing support and handling all negotiations with creditors throughout.

■ CAP Debt Help (p28)

Addressing the root causes

Whilst debt advice aims to resolve the immediate financial situation, often more needs to be done to help people remain free of problem debt in the long-term. Some of the most common causes of debt are unemployment, addiction and problems budgeting. This is why CAP's group services exist, to help people address the causes of the debt problems and build more financially resilient lives. CAP helped someone in Northern Ireland 200 times through our group services in 2018. These include:

- CAP Life Skills (p31)
- CAP Job Clubs (p32)
- Fresh Start (p33)

Befriending to break social isolation

As 81% of clients report signs of social isolation, CAP aims to build community for clients to access. CAP Job Clubs, Life Skills and Fresh Start are all run as community groups with dedicated time to build a supportive peer network. Many churches arrange social events or hold drop-ins for clients to attend and a Befriender will attend every home visit with the Debt Coach. This person is there to simply offer support and encouragement to the client over a longer period than the three home visits. This could be going out for a coffee, inviting them along to an event or simply sending them messages of encouragement.

Moving forward²⁵

63% who were afraid to leave their home no longer are

77% who were afraid to open the post no longer are

63% who were scared to answer the phone no longer are

41% who turned to drugs and alcohol due to debt are no longer reliant

18% who were prescribed medication are less reliant on it

25 | Note: this comparison is based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses.

Through a network of 21 Debt Centres, CAP visits hundreds of households each year in Northern Ireland to bring hope and offer debt help. CAP is authorised and regulated by the Financial Conduct Authority (FCA) to provide debt advice, which is produced by highly trained caseworkers at CAP's head office in Bradford and explained face to face by a local Debt Coach.



714
Northern Irish households helped by CAP Debt Help in 2018; this equated to 1,410 adults and children.

This combination of expert advice and home visits is coupled with a debt management service that lifts the burden of the debt and carries it until clients become debt free. CAP will negotiate with creditors on a client's behalf, arrange payment plans and update budgets when circumstances change, relieving the client of the stresses this can bring. CAP clients pay one monthly sum into their CAP Plan and this is distributed to their creditors on the client's behalf. In 2018, there were 613 active CAP Plans for clients in Northern Ireland and £1 million was repaid through them to creditors.

Patricia

'The moment I phoned CAP, everything changed. Everyone was so friendly. I was put immediately at ease. I knew there was an expert team of people I could rely on and they were more than willing to help. I just needed to provide the information they asked for and it was all sorted out.'



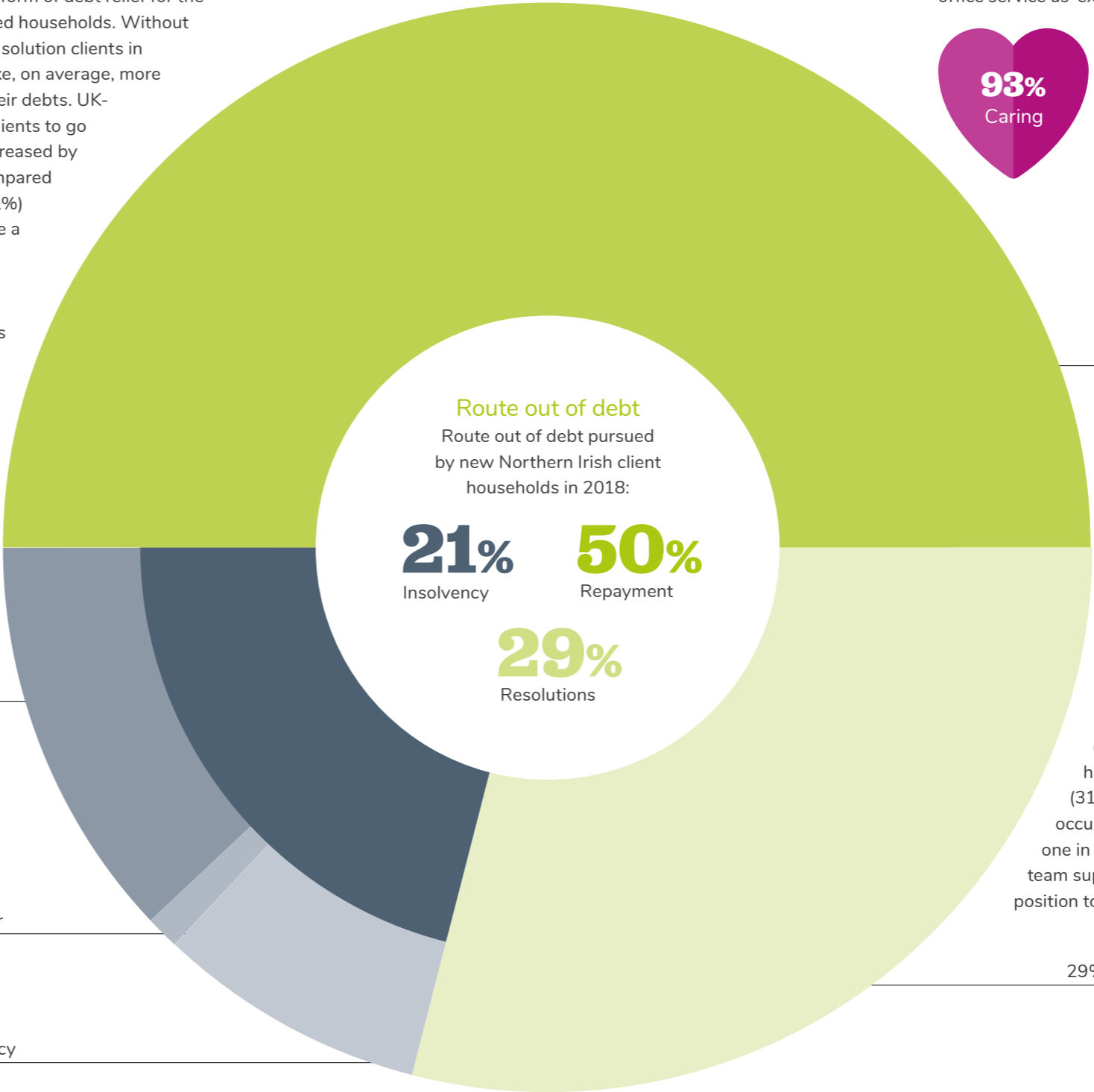
Route out of debt

Insolvency is an important form of debt relief for the most severely over-indebted households. Without access to this form of debt solution clients in Northern Ireland would take, on average, more than 100 years to repay their debts. UK-wide the number of CAP clients to go through insolvency has increased by two percentage points compared to 2017, and one in five (21%) Northern Irish clients chose a form of insolvency as their best route out of debt in 2018.²⁶ Almost two thirds (59%) of these insolvencies are Debt Relief Orders (DRO) in Northern Ireland, a form of insolvency for those on a low income. CAP submitted 1,313 DROs in 2018 UK-wide.

59% | Debt Relief Order

2% | Administration Order

39% | Bankruptcy



Head office service

Percentage of Northern Irish clients who rate CAP's head office service as 'excellent' or 'good' for being:



50% | Debt Management Plan (DMP)

Half (50%) of Northern Irish CAP clients were able to begin paying their debts through a Debt Management Plan (DMP), and on average the total repayment term was estimated to be three years.

However, 29% of Northern Irish CAP clients in 2018 had no clear route out of debt. This is nearly three times the proportion across the UK (only 10% of UK-wide CAP clients are helped by the Resolutions team). This reflects the added complexity of Northern Irish cases due to higher home ownership rates. Nearly a third (31%) of Northern Irish clients live in owner occupied accommodation compared to just over one in ten (12%) UK-wide. CAP's Resolutions team supports these clients until they are in a position to enter a DMP or an insolvency option.

29% | Resolutions team

26 | 51% of UK-wide CAP clients chose to pursue an insolvency option as their best route out of debt in 2017, compared to 53% in 2018.

Support along the journey

The design of CAP’s Debt Help is mindful of the needs of people in vulnerable situations. Partnership is essential to offer complete relief and many of the key elements employed by CAP are also mirrored in the best practice seen across industries. Examples are:

Flexibility

CAP’s service flexes to accommodate the ups and downs clients experience on their journey out of debt. Clients can simply notify CAP to prevent missed payment warnings if an unexpected problem or expense means they cannot afford to make the agreed payment into their plan for a given month and CAP Plans are updated regularly as circumstances change.

‘We really value the strong working relationship we have with CAP and very much appreciate the support CAP offers to our customers in helping them to not only get out of debt but to stay debt free. We have found that when our customers work closely with CAP the conversations they have can be more transparent and meaningful which makes it easier for all parties involved to cope with a very difficult situation.’



Stephen McCully
Managing Director, Power NI

Tackling the root causes

CAP’s newer services seek to address the root causes of debt. For most clients the biggest underlying cause of their debt problems is low income. CAP Life Skills helps members develop skills and strategies to live well on a low income, build support networks and improve personal wellbeing.

‘We understand the importance and wider benefits of helping consumers who are struggling with their bills. Working closely with organisations like CAP ensures we tailor our help to the consumers needs.’



John French
CEO, Consumer Council

Well operationalised processes

Having an average of twelve debts means clients can easily be overwhelmed by a high volume of postal correspondence. To make things simple, clients are given freepost envelopes to send all letters they receive to CAP. These are then sorted and actioned by the relevant team without the client having to worry.

‘Lowell recognise that customers are unique and individual so our approach has to be too. Where possible we bring all accounts together for a customer so they don’t receive multiple letters and emails from us and if they prefer to go online they can see all their accounts in one place.’



Sarah Sargent,
Director of Customer Experience,
Lowell

Understanding the needs of low income households

Many people who require an insolvency solution cannot afford the fee charged by the Insolvency Service. To make sure no one is trapped in debt, CAP sources funding to help pay these fees. Two thirds (66%) of CAP clients that apply for insolvency receive help to pay the fees, receiving a grant of £240 on average.

‘CAP volunteers are often my first and only port of call for clients who are struggling to make ends meet. I have been working closely with CAP in Larne for many years because they give hope and they treat everyone with dignity. If it wasn’t for CAP we would have hardly anyone to turn to locally.’



Kasia Feter
Women’s Aid, Larne

Caring about the individual

Repaying debts means there is little spare money for presents and treats at Christmas and nearly one in ten (7%) Northern Irish CAP clients have spent Christmas Day alone. Each year CAP gives hundreds of clients Christmas hampers to make the festive season that little bit more special and let them know they are cared about.



CAP Life Skills

Despite being CAP’s newest service, launched in 2017, CAP Life Skills has grown quickly due to churches recognising the need for such groups in their community. There are now 120 Life Skills groups running across the UK, attended by around 800 people in a year.

CAP Life Skills takes a holistic approach to financial education and helps members find new ways of living for a brighter future. Recognising that living on a chronic low income is hard, and recognising the extent of social isolation, Life Skills groups seek to address these issues head-on and empower members to improve and maintain both their financial and personal wellbeing.

At its core, the eight week course teaches people practical skills and money management techniques in a hands-on way, such as how to shop for and cook healthy food on a budget, as well as discussing related issues such as relationships and health. The course members also benefit from one to one coaching and community time to build their support network.

Not only do members benefit from building a budgeting system that works for them in practice, they are encouraged to consider saving, develop their decision making skills and gain confidence. Members report greatly improved levels of resilience and hope for the future as a result, as well as realising better mental health, self-worth and relationships. One in two (50%) members say they are now able to sleep better and just over half (53%) are enjoying their relationships more after attending Life Skills.²⁷



7

CAP Life Skills groups
in Northern Ireland



89%

would recommend
CAP Life Skills²⁸

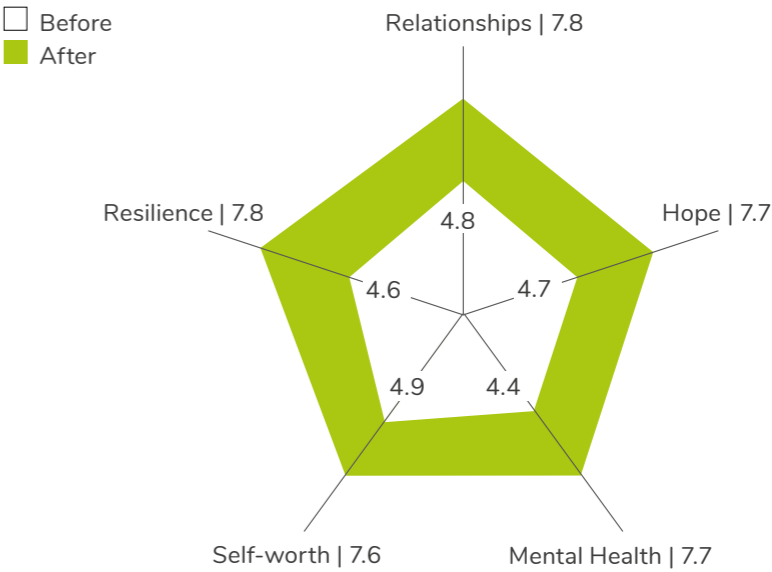


‘For me, CAP Life Skills was ideal. I’d been isolated for so long. I bonded with the other group members and I’ve ended up with a good group of friends. I have felt supported in all that I’ve been through since. I’m dyslexic and hated writing, but through Life Skills and the confidence it’s given me I just got this desire to pick up a pen and write. Now I have a little book to write my poems down. I love life so much now!’

Jenny, CAP Life Skills member

Outcome statements²⁹

Average scores reported by UK-wide CAP Life Skills members using outcome statements recorded at the first and last session of the course on a scale of 1 to 10 where 1 is low:



27 | Note: these figures are based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses. 28 | ibid 29 | ibid

CAP Job Clubs

Since 2013 CAP Job Clubs have been tackling one of the key root causes of poverty: unemployment. There are now 124 Job Clubs running across the UK, attended by 1,741 people in 2018. Typically these groups support people who are long-term unemployed and need personalised support to regain their self-belief. On average new UK-wide members in 2018 had been unemployed for two years and ten months.

CAP Job Clubs combine one to one coaching with an eight-week employability course and opportunities for volunteering and work experience. The course teaches the skills members need to find work, such as CV writing, as well as providing opportunities for members to apply their new skills in mock interviews.

One to one coaching helps members tailor what they have learnt and draw out their strengths and passions to focus their job search. Coaches are able to encourage members to stay motivated and build up their self-worth through their sessions. Each week there is also community time, designed to build connections and friendships within the group to foster peer support.

In 2018, 68 members found permanent paid work. Others took big steps forward, undertaking work experience or training. Overall, CAP Job Clubs have 25% success rate, with one in four UK-wide members who attended a club between 2015 and 2017 entering permanent paid work to date. Members also benefitted in other important ways, with 44% reporting improved health and 52% enjoying their relationships more, and strong improvements in self-worth and hope for the future.³⁰

9
CAP Job Clubs in Northern Ireland

80%
describe CAP Job Clubs as 'life-transforming' or 'a great help'³¹

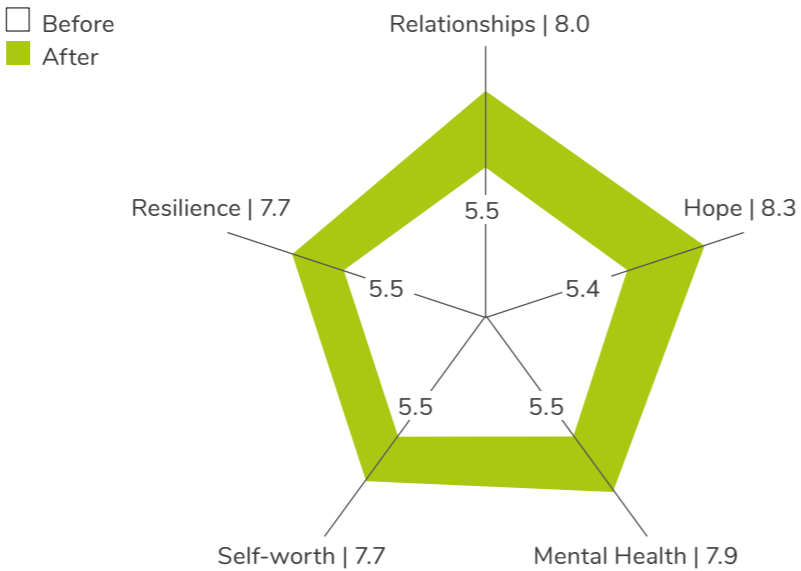


'I was actually surprised how nice the people were at the Job Club. They helped me to write out my CV and there were sessions on interviews and what I needed to do to get back into work. As my confidence grew, I thought I'd nip up to the local football ground and see if they had any jobs going. Now I'm working there as a steward. I never thought I'd actually be doing something like this'.

Alfie, Job Club member

Outcome statements³²

Average scores reported by CAP Job Club members using outcome statements recorded at the first and last session of the course on a scale of 1 to 10 where 1 is low:



Fresh Start

Fresh Start groups help people struggling with typically lower-level dependencies, such as smoking, gambling or shopping addictions. Formerly known as CAP Release Groups and launched in 2015, there are now 60 groups running across the UK, attended by 414 people in 2018.

The eight-week course that underpins Fresh Start groups is based on the principles of the Twelve Steps of Recovery. This helps members uncover the root causes of their dependency and take steps to address unhealthy habits and avoid triggers. Members use self-set goals to cut down or cut out these behaviours.

3
Fresh Start groups in Northern Ireland

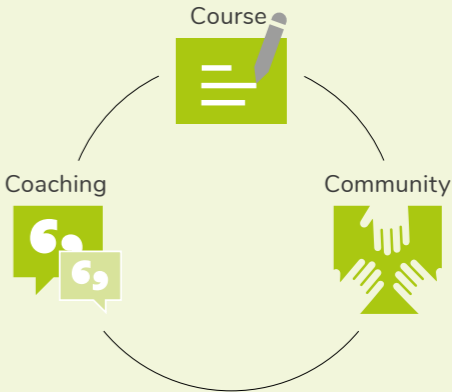
The groups provide a safe setting for members to share as much or as little as they wish. Each member is also assigned a trained Fresh Start coach to support them one to one, help set achievable goals and stay motivated. This personal investment is vital to help members find freedom from their dependency.

Many Fresh Start members find freedom from long-held dependencies through attending the groups. The ripple effect of this extends widely into feeling healthier, feeling better about themselves and improving their relationships. Fresh Start members report particularly strong gains in self-worth and resilience after attending Fresh Start sessions, as well as improved relationships with others.

FOCUS ON The three 'Cs'

The three 'Cs'

Each of CAP's group services (Life Skills, Job Clubs and Fresh Start) are designed around three 'Cs':



Course

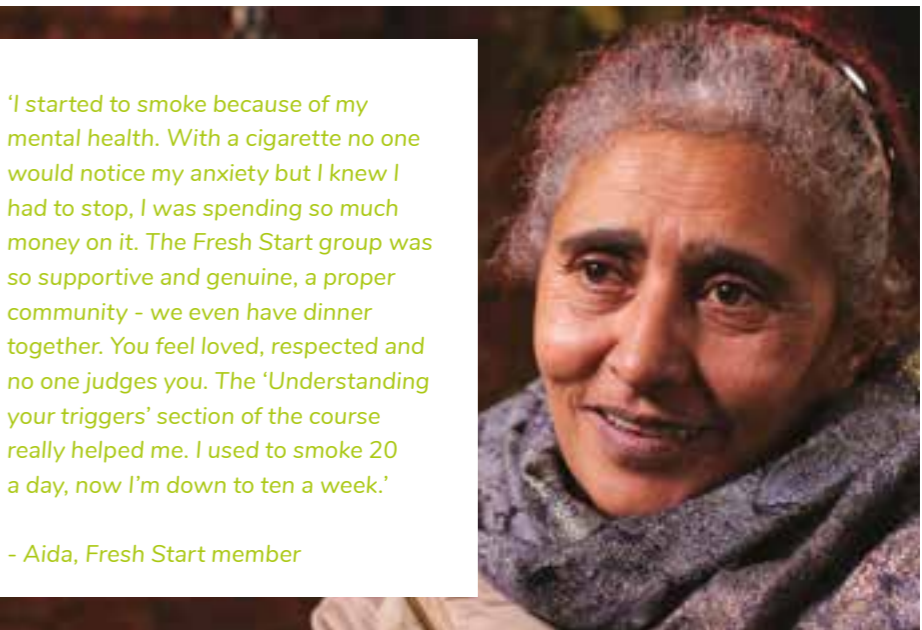
An eight week multimedia course using engaging materials developed by CAP's head office team in conjunction with other proven service providers. Delivered by a trained coach to connect with delegates and share core lessons.

Coaching

All members can receive one to one coaching from their group service coach. These regular sessions help members to stay motivated, set personal goals, and overcome barriers to reach them, as they tailored what they have learnt to their situation.

Community

The community element of the groups is integral. Many groups will provide a hot meal for delegates during the session or create space for socialising. This community time helps to form friendship, break isolation and enlarge support networks.



'I started to smoke because of my mental health. With a cigarette no one would notice my anxiety but I knew I had to stop, I was spending so much money on it. The Fresh Start group was so supportive and genuine, a proper community - we even have dinner together. You feel loved, respected and no one judges you. The 'Understanding your triggers' section of the course really helped me. I used to smoke 20 a day, now I'm down to ten a week.'

- Aida, Fresh Start member

30 | Note: these figures are based on UK-wide data due to insufficient sample size to conduct analysis with solely Northern Irish responses. 31 | ibid 32 | ibid



confident, joyful, valued

'I had been in debt for over ten years. Bankruptcy offered me a fresh start, but I was terrified of going to the court in Belfast. My Debt Coach came with me and she knew where she was going and what to do. She immediately put me at ease and it was very straightforward. It was sorted in a couple of minutes,

I couldn't believe it! I was debt free.

There have been times since, when money has been tight, like when I had to buy the kids new school uniforms. We also moved house soon after I became debt free and thought our tax credits had been cut but it turned out they were taking money for an overpayment. That was really difficult, but

I wasn't worried or fearful anymore.

CAP has changed our lives. We have enough and there always will be enough. I feel supported by the people I've got around me, I actually enjoy life. For the first time I feel like I belong. My heart always felt like it was wrapped in a barbed wire with the anxiety, but now I get a warm feeling in my stomach - contentment, pure contentment.

The past is now firmly in the past, I have overcome so many hurdles and I am ready for whatever life throws at me. The fear has gone, I don't worry anymore and my mind is at peace.

I'm excited for what the future has to offer.



Wendy Davison

Patricia's Debt Coach and Larne Debt Centre Manager

'When I first met Patricia she had been struggling in debt for a long time. She was suffering from depression and anxiety, off work and looking after two small children. She really wasn't coping. I went to court with Patricia to go through bankruptcy and to mark going debt free we had a celebratory lunch. The journey wasn't easy, Patricia was living on a tight budget for many months, and with Phil joining the family, there were six children. Today she's not the same lady I met on that first visit; she has come out of her shell, she has confidence. She's learnt to budget and is teaching Phil too. Despite all the challenges, something has changed, she has resilience now and her future is looking bright.'

A new perspective

With CAP's help, clients do not just improve their financial situation, they exhibit personal growth having conquered fear and doubt to the point that they are almost unrecognisable. They are true overcomers, not defined, but shaped by their circumstances, which have made them stronger, more confident and resilient. They have built stronger foundations and created support networks - ready to face the future head on.



Patricia

"CAP have changed my life", that's what I tell people. We are sometimes short on cash, but we don't worry, we budget and we monitor it closely. We have heating and we have electric. I've been through so much, but I'm out the other side now and I am a stronger person, ready for whatever life throws at me. For the first time in my life I feel like I belong, there's no fear or worry anymore."

96% describe CAP's help as 'life-transforming' or 'a great help'

Debt free and financially stable

Becoming debt free is a huge accomplishment, having faced an enduring uphill struggle, it becomes a reason to celebrate and at CAP, this is what we do. When someone goes debt free, we celebrate by blowing harmonicas and sending a Mexican wave around our head office. In 2018, we celebrated 152 people becoming debt free in Northern Ireland. What is more, CAP clients end the process feeling equipped to manage their money going forward. While still working with CAP 76% of Northern Irish clients feel able to budget and stay on top of finances and 53% are able to save and plan for the future even before they are debt free.

In their own words

At head office we celebrate when clients become debt free by blowing harmonicas. Clients tell us the support they received helped them overcome a variety of challenging situations. It's a big moment and we love to celebrate with them.

'I gained confidence in facing challenges - I felt more able to apply for jobs as I was discouraged from doing so before CAP - I have since found a steady and reasonably paid job.'

'I've been to a few social events with CAP. I enjoy meeting for lunch and chatting to others in a similar situation. I've now been able to be honest about my debt situation with my family.'

'I feel much less stressed and anxious. I am excited that for the first time in a long time my finances are in order. I will be saving and it's freed up money for me to join the gym for exercise to improve my physical and mental health.'

'Before CAP I was extremely depressed and angry at the world. I'm now more at ease and calm about my situation and inspired to be better at dealing with my finances and life's battles.'

'My depression and mental health has positively improved with a more positive approach to life and the future.'

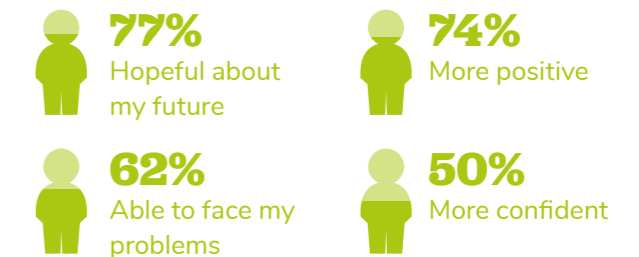
'Drugs and alcohol are not a part of my life anymore. I also no longer gamble.'

Confidence to overcome personal challenges

Not only do clients end their debt free journey in a better place financially, many have transformed outlooks on their situation and on themselves. Like Patricia, people become the victor of their circumstances. They become stronger, ready to face whatever else life throws at them. Many clients are still facing tough personal challenges such as mental ill-health, addictions, relationship breakdown, bereavement or disability. Often they are facing a crippling combination of many of these things. Living on a low income also remains difficult, but the difference is palpable. It is a journey, but confidence is gained, self-worth discovered, hope restored and happiness reclaimed.

Since working with CAP I feel:

Responses from Northern Irish clients currently accessing CAP's Debt Help service and working towards becoming debt free.



When asked what helped them overcome the challenges they faced, alongside the practical help and advice they received to budget and save, find work and reduce addiction, clients place huge value on the community and support networks they've gained through CAP. As well as all this, they have a newfound confidence for the future, better physical and mental health, improved relationships and generally feel better. Research by the London School of Economics Centre for Housing and Communities in 2018 calculated that the social return of this totalled £31.6 million annually.

Funding

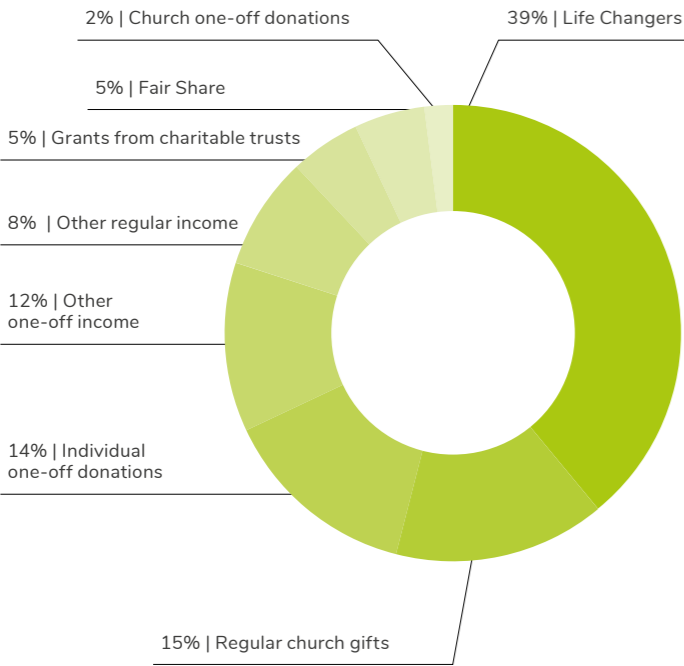
In 2018 £12.2 million in charity income was raised to allow CAP to provide a free service and high quality holistic support. CAP's funding model differs from the other free debt advice organisations because the majority of income stems from the generosity of churches and 30,000 supporters from the general public, known as Life Changers, who give to CAP on a monthly basis.

A smaller proportion of CAP's regular income is from Fair Share. Fair Share is a voluntarily agreed percentage paid by creditors towards the cost of providing a debt management service to customers. In 2018, CAP also gratefully received several other donations from corporate social responsibility funding to deliver and expand the services CAP provides.

Regular funding provides financial stability, allowing for growth and expansion. We are thankful to all our supporters and the organisations who pay Fair Share, helping to fund our work and providing an invaluable source of reliable income. More information can be found in CAP's *Annual Report and Accounts* published on CAP's website and by the Charity Commission.

Charity income

Breakdown of income by source in 2018



Support CAP

Fair Share

In recognition of the benefits CAP's help delivers for clients and collection rates, most creditors give a fixed percentage of the repayments they receive through CAP Plans as a voluntary contribution. Fair Share is a vital and reliable income source to allow us to continue supporting some of the poorest and most vulnerable across the UK.

One-off donation

In 2018, more than £4m of CAP's income came from generous one-off donations given by individuals, trust funds and creditors. These donations allow us to develop specific areas of the charity and grow our coverage to help more people.

Corporate fundraising

Corporate fundraising, such as a fundraising dinner or a charity auction, is a fun way to raise money for CAP. We can provide resources and information to help you raise money for CAP in your organisation.

Christmas hampers

Nearly one in five CAP clients has spent Christmas Day alone. Each year CAP gifts hundreds of Christmas hampers to make the season more special. You can get involved by donating to our emergency food aid appeal or by making some hampers for local CAP clients.

Support CAP personally:

Become a Life Changer! Join over 30,000 others and support CAP regularly by becoming a Life Changer. Your monthly donation will help provide a steady income stream to allow CAP to offer a consistently high quality service, plan for the future and expand to help more people. Find out more at: capuk.org/EAlifechanger.

To find out more about any of these options, get in touch by emailing externalaffairs@capuk.org.



Authors: Rachel Gregory, Social Policy Manager
Kiri Saunders, External Communications Manager

For more information about CAP or data used within
this report, please contact:

CAP NI
Ravenhill House
103 -113 Ravenhill Road
Belfast
BT6 8DR

028 9527 7964

capuk.org/policy

*For press and media
enquiries please contact:*

t: 01274 761924
e: press@capuk.org



@CAPuk capuk.org

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always hope.