

christians  
against  
poverty

CAP

# *Never just a number*

*Evaluating the impact  
of a holistic approach  
to UK poverty*

In partnership with Pracedo.  
Based on the full report by LSE.



Housing and  
Communities



Published: October 2018

**always hope.**

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## Foreword

Christians Against Poverty (CAP) has always been, and will always be, about addressing our clients as individuals. People with unique lives, families and circumstances. It is our long held understanding that the problems associated with debt, both in cause and impact, extend far beyond the bank statement or credit score. With this in mind CAP has always adopted an approach that treats people as the valuable individual that they are.

We believe that the Church in the UK harbours a network of communities who are tailor-made to address these causes and impacts of debt in a comprehensive way. CAP are not simply aiming to assess people's financial difficulties, but aiming to help them transform their lives. This has been the basis of our work for over 20 years and it is this model that this study seeks to evaluate.

In September 2017, CAP were delighted to partner with the research team at LSE Housing and Communities at the London School of Economics for twelve months and it is their resulting report on which this summary is based.

LSE spent many hours interviewing our frontline workers and visiting some of our 500 churches around the country that host debt centres, job clubs, fresh start groups and life skills courses, to talk to our clients. They also examined our central records of people who had been helped through our work.

We are indebted to Professor Anne Power, Dr Bert Provan and their team for their commitment to investigating our organisation and their openness to consider our approach. Their report is independent and objective – a celebration of CAP's strengths alongside constructive lessons to allow us to learn as we move forward.

This social value study seeks to describe, quantify and monetise the impact of our work – impacts that would not normally be represented on a typical budget sheet. These range from a reduction in mental health issues because of a service that supports and listens face-to-face, to our clients feeling more confident, because CAP provide them with the knowledge they need to remain resilient after working with us.

The task to meet the problems of poverty and isolation is huge and challenging – as such, this report also highlights opportunities for further work. But we are greatly encouraged by the progress so far, and look forward to the journey ahead.

This summary report has been written by Christians Against Poverty, based on the main findings of the team at LSE.



*Matt*

**Matt Barlow**  
UK and International CEO



This report is kindly sponsored by Pracedo, a Platinum status Salesforce platform consultancy based in London, serving the UK and Europe.

Pracedo's consultants have the experience and deep product knowledge that comes from years of delivering multi-cloud solutions with large multinationals. They provide a wide range of services for the full range of Salesforce platform products including: strategic consultancy, end-to-end implementation, quick starts, health checks, training, ongoing support, and force.com development.

Over the past 18 months, Pracedo has been working with Christians Against Poverty to deliver a high quality CRM solution. Pracedo's work will enable CAP to work even more effectively with the churches and frontline workers mentioned in this report, as well as supporters and funders.

## *What the LSE team learnt from working with CAP*

Debt has very serious consequences for those who become overburdened with it and cannot cope. Unsurprisingly, people with few resources and little or no savings struggle to manage. Having to juggle priority bills when there is not enough money to go around can become impossible. People struggle to make ends meet and borrow to get by. Easy credit then leads to uncontrolled debt.

Many external factors make things worse - the impact of welfare reform, the growing reliance among low income households on insecure private renting, and the rise in homelessness.

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### *CAP's approach*

CAP's approach is more intense, more personal and more holistic than most approaches to debt relief. It sees debt as a main driver of poverty and so CAP staff are committed to a mission to help people escape it. Because of this 'extra-mile, hand-holding' philosophy that more difficult cases need, other services work with CAP and often refer people to them. Most of their clients are on low incomes; many are lone parents; some suffer from mental ill-health and depression; most are socially isolated and struggling.

There are several striking aspects of CAP's approach to helping people in trouble.

- A philosophy of going the extra mile in the belief that this will make the difference
- Taking on extreme cases, often referred by other agencies and charities
- Adopting a holistic approach, including helping in many practical and direct ways
- Relying on active church members to support, inspire and motivate clients

### *CAP's impact*

Over half the clients who contact CAP escape debt, which seems high given the severe nature of problems people present, and how far into debt they have fallen. Understandably, little is known of what happens to the rest, whether choosing to take control of their finances themselves, be referred onto other agencies or simply falling out of touch.

Based on LSE Housing's work with social landlords, tenants and low income communities, we know that the added value of a 'social investment' approach to tackling serious problems is hard to measure. Yet the benefits of social investment are recognised in those communities that gain from it and by individuals who work there. This is clearly an impact of CAP's work, based on our interviews with clients and Centre Managers. Improved mental health, employment and managing priority bills all bring measurable benefits to communities where resources are tight and often shrinking.

Wider impacts of CAP's work are very likely to include lower risks of rent arrears and eviction, more stability for children, reduced pressure on relationships, less social isolation and stress, more confidence and pride. These impacts are reported by clients as well as front line staff.

As a result the total social return from CAP's investment of £8.7 million, exceeded £31.5 million.

Some of these benefits are greatly helped by the provision of job clubs, life skills and fresh start groups which build confidence in gaining work, and improve money management, diet and mental health.

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### *The role of faith*

A big driver of CAP's work is the strong ties with the Church – some would argue this is a decisive factor. CAP is required to make explicit the faith that underpins its mission but avoiding any sense of requiring clients to share this faith is critical. However, because churches in general are long established community anchors, they are widely trusted to be on the side of helping communities, even among people who are sceptical of their purpose.

This 'helping' image means that isolated, struggling and sometimes despairing people are open to seeking help through CAP centres. Additionally, the faith that underpins the practical hands-on help provided by CAP - perhaps the distinguishing feature of CAP's approach - means that their job often goes far beyond a paid role.

Finally, this approach is underpinned by the wider services of CAP and the church. Social events, support and advice groups, lunches, parties and the development of longer term friendships all encourage and strengthen people's resolve to stay debt free. More importantly, they reconnect often isolated people with their community.

### *Beyond the numbers*

Our report uses both qualitative and quantitative ways of showing how CAP works. The life stories, pen portraits and vignettes all reveal, in a way that numbers can't – how people tick, what makes things go so badly wrong, and what measures help set them right again.

We have disguised the identities of all the people we interviewed, but we have kept to their words and stories as closely as possible. If anyone recognises any of these stories, it is because we all share good times and bad times, we all struggle sometimes, we all need help and to help. This report exposes how help can work in both directions, for many of the people now working for CAP first got involved because they needed help.



A handwritten signature in black ink that reads "Anne".

**Professor Anne Power**  
Head of LSE Housing and  
Communities and Emeritus  
Professor of Social Policy

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## Social Return on Investment findings in brief

# 1:3.6

Returns  
**£31,591,096**

Expenditure  
**£8,742,000**



The overall annual returns recorded from CAP's work were £31,591,096 from an expenditure of £8.74 million giving a return of 1:3.6



## £6,493

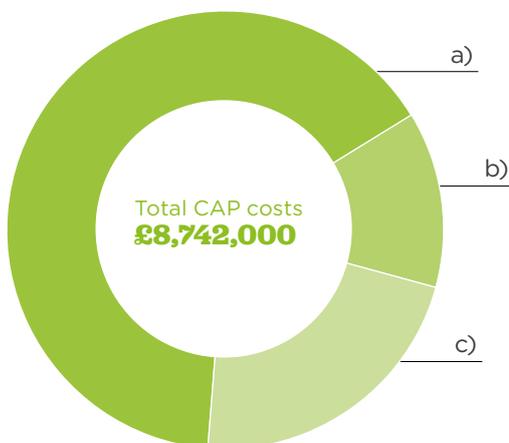
For the 4,200+ households involved in CAP Debt Help each year, this represents an average benefit to society of £6,493 per household.



## £1,352

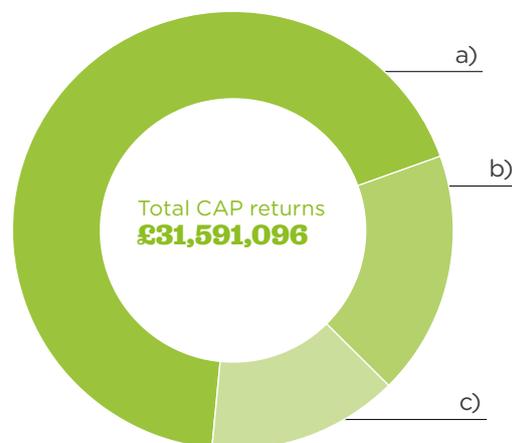
For the 3100+ individual clients attending Job Clubs or Fresh Start courses, this represents an average benefit to society of £1,352 per client.

### Breakdown of costs



- a) £6,663,000 | Management of debt centres
- b) £869,000 | Management of group services
- c) £1,210,000 | Costs paid by local churches (estimated, as no central records)

### Breakdown of returns



- a) £21,486,541 | Personal support (debt clients)
- b) £5,823,829 | Debt Management
- c) £4,280,726 | Group services

### Worth the investment

Many of CAP's clients have significant difficulties at the point when they contact CAP. Their debts can easily get out of control and many people simply stop opening their post or answering the phone or door, creating serious isolation and stress.

A sense of shame is possibly the most intense result of debt and clients appreciate the home visits and the highly personal direct support that comes with them. Many clients are isolated and the value of face to face contact bears out what other studies show.

However, the returns demonstrated per household are much higher than traditional models of debt counselling and poverty relief.

It is the combination of both debt help alongside personal support that makes CAP's service so invaluable for its clients, and society as a whole.



Debt Centre staff

*'You are there for them, you are not a faceless person at the end of the phone, because there are debt management companies who are like that, CAP are actually there and if the client doesn't understand or they need further information, you can give it to them. Some clients are fine with just the information, but others need more handholding, that's the difference between CAP and other services.'*

*'We often get referrals from other agencies where they cannot cope with the complex problems which some clients have which hinder dealing with their debt'*



**Nora**  
CAP Client

### A multifaceted approach

*Nora struggles with learning difficulties and lives with her daughter on the outskirts of the city. She first got into trouble with her money in 2014 when her husband left her; he had built up a number of debts from loans and missed bill payments that he had never told her about.*

*Until he left, she had never managed her own money and struggled to read the letters that the debt collectors sent. She describes how she did not have any friends and would not leave the house.*

*Nora's support worker got in touch with CAP on her behalf. They put her on a CAP Plan which eventually led to a Debt Relief Order and she has now been debt free for three years. They helped her claim the right benefits. As well as providing financial help, CAP managed to secure a small grant for her to have her teeth fixed and have a haircut. She says how this has made her feel so much more confident and able to join in.*

*She now comes to the lunch group every week which has helped her to make new friends and build her confidence. She says when she first started going she felt unable to talk to anyone and now she talks to everyone. She also brings any letters or bills to the group and helps go through them with her to make sure she understands what she needs to do.*

*CAP encouraged her to go to English and Maths classes at the college each week to overcome her learning difficulties and the CAP volunteers help her do her homework. She feels her life is moving forward.*

# Summary of research findings

To carry out their study; LSE carried out 50 interviews with CAP Centre Managers, 30 clients that had been helped in ten centres around and 15 centre volunteers and head office staff – around 120 interviews in total. The study covered CAP Debt Help as well as ‘group services’, – CAP Fresh Start groups and CAP Job Clubs. Whilst some CAP Life Skills groups were included in interviews, they are not included in the final evaluation.

The team also examined 12,618 records of people who received debt help between 2013 and 2016 as well as data from group services and the 2017 client survey, and calculated the value of the wider social benefits that spilled over from CAP’s way of helping individuals out of serious debt.

## Interviews with Centre Managers

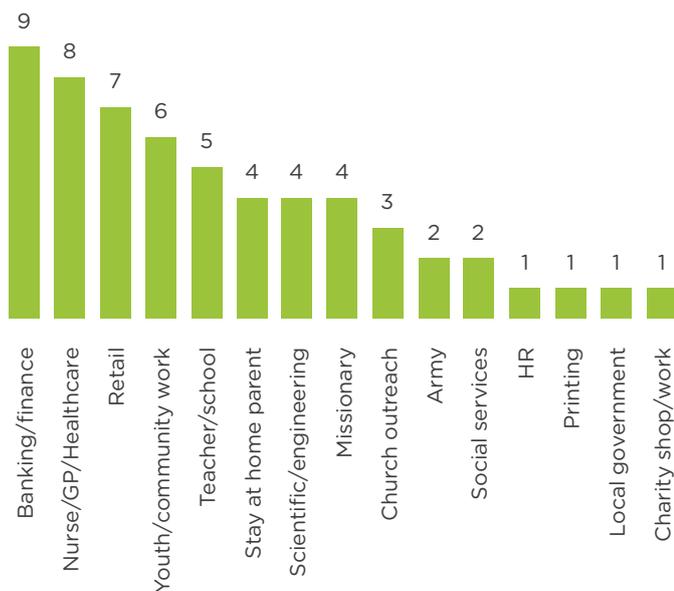
CAP delivers the face to face aspect of its service through over 500 churches around the country, run by CAP trained workers or volunteers from the congregation. This is a unique aspect of the CAP service.

For debt clients, a CAP Centre Manager or Debt Coach will visit them in their own home. The intensive and personal nature of support, starting with this home visit, is crucial. The service is local, personalised, long-term, deals with debt and the causes of debt, and is a great help for vulnerable and isolated clients.

### Backgrounds

The 50 Centre Managers interviewed all have previous work experience, with the biggest single group coming from a finance background, and the second largest group from the health sector.

### Employment experience before joining CAP



Their most powerful motivation comes from the church and their personal faith. This leads them to believe that helping and giving to others is their most important mission.



Debt Centre staff

*‘On the first visit many will say they can see the ‘light at the end of the tunnel’. They see their lives as very dark, often literally as they sit at home, with the curtains drawn, watching TV and seldom, if ever, going out.’*

### The importance of training

Centre Managers value the training they receive at CAP Head Office in Bradford before they start. They recognise the importance of a proper understanding of the law; as well as knowing the limits of what they can do, and when to call on the Head Office. Handling debt and debt relief are directly regulated by the Financial Conduct Authority (FCA). In addition to CAP head office, Area Managers provide local support and advice to the Centre Managers.

### Supporting clients

Often the job involves following up with clients if people do not keep up their payments. The repayment plans are often very exacting for people on low incomes and circumstances often change, undermining people’s original plans. However, budgets can be reviewed if circumstances change.

### The value of volunteers

The managers work with other agencies, churches, and charities, sometimes referring clients on and often taking clients referred by others.

Managers rely heavily on volunteers and befrienders, usually from their church or other local churches, who accompany them on visits and help in many practical ways. The need for more training for volunteers was a recurring theme. Volunteers pose significant management and organisational responsibility for managers; there are sometimes too few of them; or they are not flexible enough. A bigger pool of well-informed volunteers would definitely help.

In addition to providing an important safeguarding role, Debt Centre Managers report that volunteers are essential to be able to do the 'non-debt' part of CAP's service, often noticing details that the managers might not.

This case is particularly stark.



Debt Centre staff

*'One lady, not our client at that time, had gone to the food bank, but food bank hours had changed. Other people left, but this lady broke down, and her kids were not behaving normally like squabbling or complaining, but were silent and pale. We went to speak to her. She had walked 3 miles, and had no food left at home. We offered to take her home, and told her that we could do a big shop, got £100 for a shop for her.*

*When we got home, we saw there was no electric or gas, and she told us this had been off for 5 weeks. Her husband had abandoned her, gone abroad, and she did not know how to claim benefits. There was no TV, and more strikingly no crumbs on the floor or in the kitchen cupboards.'*

### The CAP approach

Managers strongly endorse the CAP approach: home visits, a holistic view of people's lives, a long-term commitment to helping, linking people into the community. Helping people to change their lives by freeing themselves of debt and other troubles is the biggest motivation for what they do.

For Centre Managers, these plus the organisation's values are most important aspects of CAP.

The physical, psychological and emotional impact of the visit was often the first thing mentioned by managers.



## Michael

Centre Manager – Pen Portrait

*Michael has always wanted to have an outreach role in the church, not just doing maintenance for existing churchgoers. This meant setting up a new CAP Centre, and taking on new projects which require initiative and drive. He had an unhappy childhood, but he has a solid family now.*

*On-the-job training was where he learned most. CAP provides managers with clear, simple scripts which you can use with clients on visits; it really helps to get over clear messages. If he does not know the answer to a question, he asks head office and can usually get a straight answer right away. The local church, with CAP oversight, gives awesome support. They helped him pull CAP into the centre of church life.*

*Michael's centre can have a wide range of clients including families with two nice cars in the drive but no food in the cupboards after one or both of the family workers has been made redundant. They may have the mortgage company pursuing eviction, sometimes for small amounts of mortgage arrears. Michael has few older clients because most try to make do with what they have.*

*Debts to irregular and non-licensed lenders are difficult as these lenders operate below the radar and HQ can't make formal arrangements with them. However, when a client tells these lenders that they are involved with CAP, they occasionally agree to take reduced payments.*

*All clients have to take the first step by making the initial call to the helpline. This shows that they accept they have to deal with their debt, and want CAP to come to their home. Debt is often the tip of the iceberg and talking to people personally makes Michael want to help them. If unemployment is a problem, CAP can help by offering the Job Club service. For people with mental health problems, he can go with them to a GP. If they are lonely, he can invite them to local church events. He explains at the first visit that many Debt Centre Managers have had similar difficult journeys, and he often shares his own story. This helps people not to feel judged for being in debt.*

*Michael works closely with the Salvation Army, the Simon Community, Women's Aid, and other local agencies. They pass donations to the Salvation Army, and CAP sends clients to the Salvation Army. His centre also works with a local furniture charity. The local airport, where passengers regularly have to leave cosmetics and toiletries, helps by passing on these items to him and he can gift them to clients.*

## What clients appreciate about CAP's face to face approach

Clients praise CAP's non-judgemental approach and appreciate the practical help based on kindness. The main themes were;



Friendly, compassionate and non-judgemental



CAP practical support and debt help



Community involvement based on CAP's local church network



CAP Client

*'I can't fault them. I am not from a churchy background so if I wasn't in the situation I was in, I wouldn't have gone with it but it was fine. I was shocked, I didn't expect half the help I got from them'*

Chart showing main benefits to clients in eyes of Debt Centre Managers (number of times mentioned by managers)



35		Lifting burden of debt
24		Quality of service to escape debt
13		Supporting clients practically in hands-on way
11		Giving care and valuing clients as fellow human beings
11		Sharing their faith with clients
11		Joining in community activities (usually church related)
9		Giving clients the chance to talk through underlying problems around debt
9		Improving physical and mental health
7		Help beyond directly debt related e.g. food, equipment
7		Helping clients into other CAP services e.g. job clubs
7		Helping to reduce family tensions through the help CAP offers
6		Building people's confidence in managing money
5		Longer term commitment to helping
5		Reducing stress in people experiencing debt
4		Preventing evictions and stopping bailiffs
3		Directing clients to non-church related services
2		Reducing poverty

## Interviews with Clients

### Main findings from LSE's interviews with CAP clients.

The picture of clients is predictably stark, often reflecting very complex problems and experiencing extremely low income.

#### Depression and anxiety

A significant majority interviewed described experiencing feelings of stress, depression and anxiety. For some, these feelings were overwhelming and even led to attempts at suicide.



CAP Client

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*'Yeah the thing is, going back last year I was very suicidal, I just felt I didn't want to be here, what's the end of all this? If I take my life away and go away, maybe it would be better.'*

#### Effect of debt on wellbeing

There were detrimental effects on relationships within families and with friends and colleagues for some, with the stresses of debt often leading to arguments and placing pressure on relationships. Other impacts of debt identified were increasing isolation and shame, as well as unhealthy lifestyle choices including poor diet, drinking and gambling.



CAP Client

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*'I was working through to the end of last year but I got emphysema so I had to stop. I went onto Universal Credit and that's what caused my debt, it took twelve weeks to come through. When I set up the claim after twelve weeks they gave me £600 and I was meant to live on that for four weeks even though my rent alone was £650. After six months they finally sorted my rent payment out but the debts had already piled up. It was unbearable.'*

Most have a pile up of priority debts such as rent, utilities, and council tax, as well as non-priority debts such as credit cards, loans and catalogue debts.

These debts can easily get out of control and many people simply stop opening mail or answering the phone or door, creating serious isolation and stress. A sense of shame is possibly the most intense result of debt. Lone parents struggle the most to manage debt repayments. Single people without children find it easier. Sometimes, if repayments are unrealistic, CAP advises an insolvency option such as a Debt Relief Order.

Many clients are referred to CAP by other agencies, including housing associations, but in many cases they come to CAP by word of mouth.

#### Face-to-face contact

Clients value the home visits and the direct support that comes with them. The value of face-to-face contact bears out other studies on debt. In CAP's case, it often persuades people to get involved in wider group activities and to accept invitations to events linked to the church. When people do this, they tend to find that the ongoing support helps them to stick to their debt plan. However, these extra supports and activities are not always taken up.

Clients recognise the impact of getting free from debt. It restores people's confidence, sense of freedom, and in many cases provides a sense of community belonging. Getting involved in the church, which some do, clearly provides this. Clients praise CAP's non-judgemental approach and appreciate the practical help based on kindness. They are struck by the fact that it's free.



Debt Centre staff

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*'People often say is that it's such a relief to be able to talk about this with somebody at last. For us, it's an immense privilege to be invited into someone's home, and for them to make themselves very vulnerable and tell us stuff they don't even tell their families. Many find an immediate sense of relief, and you can see this in their body language.'*

Clients find it hard to find any criticisms of CAP but in a small number of cases, the faith based activities can make people feel pressurised, even though CAP workers stress that there is no obligation to join or participate more.

Overall the clients interviewed were immensely grateful for the help they have received.

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## Norman

### Client Pen Portrait

*Norman started to build up debts from credit cards and store cards which he had used to buy things for his 3 children. At first, he described the debts as manageable as he was working but the debts started to build up and he had bailiffs knocking on his door which started to put pressure on his relationship. He separated from his partner as he did not want his family to have to experience the stresses of having bailiffs turning up.*

*'Me and my partner split up. I thought I can't put her and the kids through that, so I moved out so they can chase me wherever they want but at least then the family aren't bothered and hassled.'*

*He went to prison for a short time during which his debts grew out of control and reached £9,500. When he came out of prison he moved into sheltered accommodation in a shared house. He says the debts made him very depressed and he stopped seeing anyone. He describes how he tried to cope with the debts by not opening the letters and pretending the debt was not there.*

*'Well I did suffer with stress and that multiplied, then I started getting depressed and I just wouldn't want to go out and do anything. I used to go out and come back and there was people waiting outside my door, the debt collectors. So I thought, if I don't go out, they can't come in.'*

*One of Norman's housemates was having an appointment with CAP which prompted him to contact them himself. CAP advised the best option was for him to apply for a Debt Relief Order which cost £90. He was originally paying £16 a month from his benefits into the CAP Plan to cover this cost but CAP found the funds to help with this. He now pays the £16 a month into another account for his former partner and children.*

*He found having a befriender very useful and maintains a close relationship with him. He sees him every week when he gives him a lift to church.*

*'I was going to church but I have started going more, it's like I have been accepted. I was going to other churches but it was just cold like you are a number. But here it's lovely I have been accepted. I go every Sunday, I get picked up every morning.'*

*Since becoming debt free Norman feels less depressed and more able to socialise. He sees his children every week and has managed to save up £100 for them to have some spending money over summer. He hopes that he can soon return to regular work and move out of the shared accommodation.*



## Centre Visits

The visits to the centres were primarily to meet clients (three in each centre) in a private setting to hear their experiences and understand from their perspective how CAP's approach worked. In the course of these visits, there were also group meetings with centre staff and volunteers, on average three in each centre – 27 in total.

### Main findings from LSE's visits to debt centres.

All centres visited handled debt, but several also ran job clubs and life skills courses. Many useful things were found out about the people who make CAP work on the ground and why they do what they do – in most cases for no financial reward. They say that they are not just helping people out of debt, but relieving poverty, helping with unexpected losses and ill-health. They strongly endorse the whole person approach and the hand-holding that struggling people need.

### The extra mile

Almost all of the visits to centres showed how the work done at the centres goes beyond just helping with debt to wider issues in people's lives, such as providing foodbank vouchers or visiting someone in hospital.



CAP Client

*'[My Debt Centre Manager] is so caring, she will go that extra mile for you and that means so much. It's not just... I remember saying this year to [the DCM], have we gone beyond the client... are we friends now? And I feel that with [the DCM], I can come to her and talk to her about anything and she is so non-judgemental. And I think that really helps because if you are going to talk to someone about stuff that is so raw, and so scary, you know, to admit to someone...'*



Debt Centre staff

*'I just moved the fridge freezer out of a client's flat one floor up. I put it into my car, drove to her new home, and took it up more steps. Not everyone does these things, but we do it here. It's part of the whole client approach. The client had gone on a CAP weekend break but her cousin who lived with her recently died and she found her dead at home. She was devastated, and got an offer to move, but needed repairs to her old flat before she could move. We got a team together and sorted it out, then helped move her stuff. She has both debt and mental health problems, so we did this while she was away. Tomorrow we will empty the rest of the flat.'*

## Faith

Over half of the volunteers and staff in the visits got involved with CAP after being helped by the organisation themselves. Faith is a big motivating factor and prayer plays a significant part. Many centres have teams of 'prayer volunteers' who are invited to pray for (anonymous) clients with specific problems. Some centres stress these things more than others.

Staff say they respect personal views when visiting clients and are particularly conscious of other faiths, but they usually find that people don't raise any objections when they offer to pray for them at the end of a visit. Befrienders play a wide support role as back-up to the Debt Coach or Centre Manager. But they stress they need more training to play a bigger role that could help Debt Coaches.

Sometimes clients just want debt advice and don't get further involved. But centre staff suggest that people who do stay in touch find it easier to stay debt free. Some centres run open door drop-in centres for advice, and lunches that give people some social support. These help to include people in the local community.

There are always heavy demands on Centre Managers and time is normally too short. Sometimes they are short of volunteers. There are limits to everyone's capacity. Setting clear time limits and boundaries is important as some clients can be over-demanding and push boundaries too far. On the other hand, clients do sometimes face major life crises and require swift help.



5 lessons were identified from interviews with CAP centre workers and the visits to centres,

- The intensive and holistic nature of the support, starting with the home visit, is crucial.
- It is important that the centres are supported and backed up by head office ensuring CAP operates a highly professional, FCA authorised, fully audited debt service.
- The contribution of the wider church community and volunteers is significant.
- The organisation's aims and values contribute to its success, including a sense of all staff at all levels being highly committed, collaborative & motivated.
- CAP is 'non-judgmental' of its clients' debts and focusses on giving them confidence

## Data analysis

### Main findings from LSE's data analysis

LSE undertook a full analysis of 12,618 case records held by CAP reflecting the most up to date documentation of its work. This system records details of all the clients who seek help, their circumstances and debts, the actions taken, and the outcomes.

### Who comes to CAP for help?

Almost half (48%) of those who come to CAP for help are single people (22% single men and 26% single women) and 43% of those who contact CAP are households with children, with over a quarter (28%) being single parent households.

Of the CAP households with children, most have one or two children (76%).

Around a third (36%) of households who contacted CAP were referred by other support services, with 29% accessing CAP through its own reputation. Other households contacted CAP based on media exposure, CAP direct referral and other means.

Around half of CAP clients (51%) are aged between 41 and 60, with 34% in the 26-40 year age bracket a small number over 60 (12%) and between 18-25 (4%).

A large majority of households who contact CAP are white (86%) broadly matching UK Census recorded data on ethnicity. 14% are from ethnic minority backgrounds, predominantly people who identify as black, Asian or mixed race.

Most (85%) CAP clients rent their homes, in contrast to the majority of the UK general population (67%) who own their own homes.

Two thirds of CAP clients (68%) report incomes below the official poverty line (less than 60% of median income, before housing costs). This compares to 16% for UK households as a whole (for 2014-15).

Altogether 75% of CAP clients have incomes below the UK median income.

Around a quarter (26%) of CAP clients report a mental health problem but Debt Centre Managers find poor mental health one of the most prominent underlying and contributing factors to client indebtedness. Many Debt Centre Managers estimate that a much higher share of their clients suffer from mental ill-health, often over half or up to two thirds.

### Outcomes

52% of those in contact with CAP achieved what can be described as "a good outcome" – that is:

- Debt free through insolvency;
- Debt free through repaying debt;
- Debt free through another route which CAP has been instrumental in assisting with;
- Or continuing to pay off debt.

There are differing outcomes for different types of CAP client. Single parents struggle with debt the most – nonetheless 43% of them have good outcomes and over 1/3 become debt free.

### Summary of client outcomes



<b>52%</b>	<b>Successful outcome</b>
30%	Debt free - through Insolvency
6%	Debt free - through repaying debt
9%	Continuing to pay
7%	CAP enabled out of debt but other route
<b>48%</b>	<b>Other outcomes</b>
34%	No resolution or agreement broke down
10%	Client withdrew
1%	Deceased
1%	Did not reach agreement stage
3%	No longer suitable

## LSE's Social Value Analysis

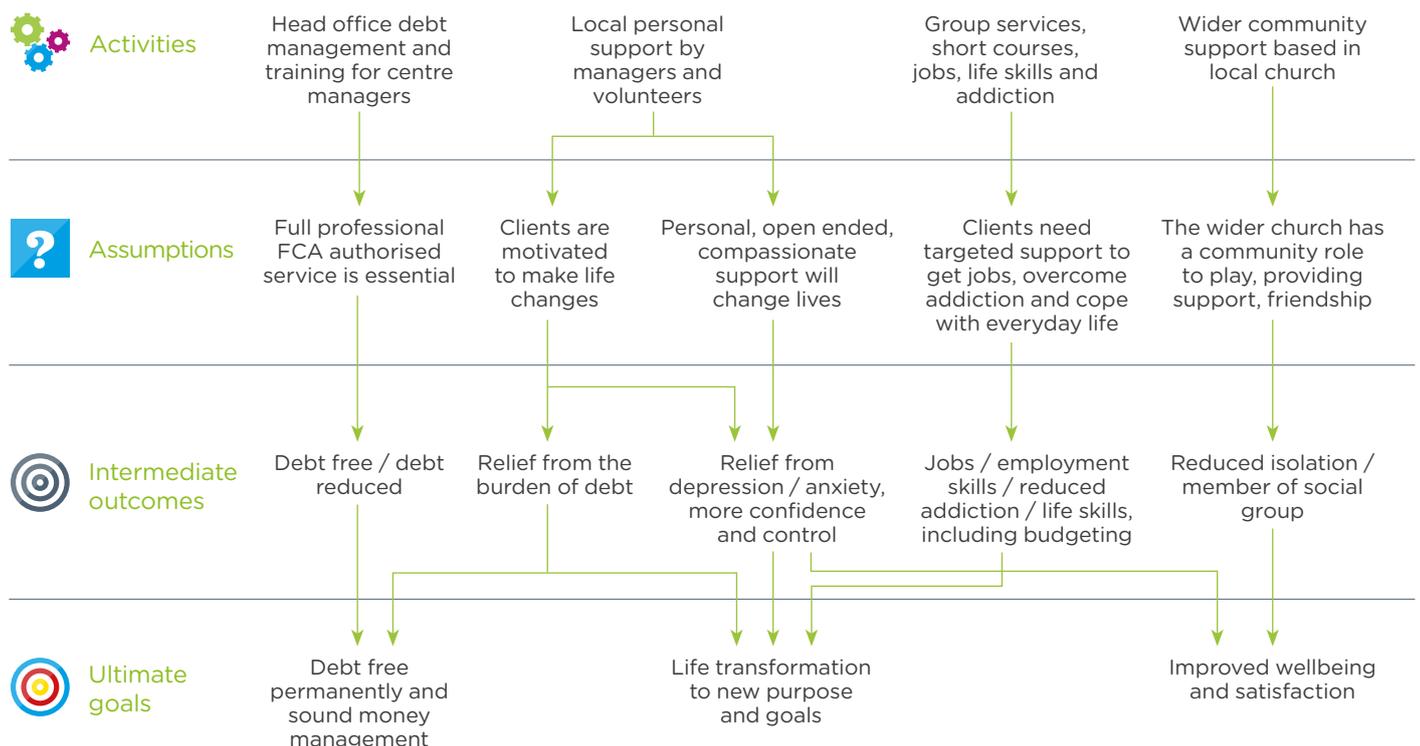
The approach that LSE adopt in calculating the social value recognises that CAP is a community-based organisation whose aims and activities cover both debt advice and open-ended personal support in the local community to improve the quality of life of individual clients. This has the added benefit of helping people stay out of debt longer term. It is very different from other debt advice organisations, due to its emphasis on home visits, long term involvement in cases (often over several years), and multipronged support. The local network of support includes practical support in gaining new skills and competences through Fresh Start groups and Job Clubs.

CAP bases its face-to-face activities in local churches, and in the network of wider services operated by those churches; its debt advice all originates in the regulated central head office which continuously directs and audits all local debt-advice related activity. This is the basis for the CAP theory of change.

LSE's social value analysis is based on a wide range of qualitative and quantitative evidence which has been collected, collated, and analysed, drawing on 12,618 CAP debt client records, 120 in-depth interviews with stakeholders, managers, volunteers and clients, and examination of client records in CAP surveys.

This social value calculation is based on the Cabinet Office guidelines, NESTA guidance, and the HACT social value calculator.

CAP's theory of change diagram - how CAP's activities achieve its aims according to LSE.



The headline findings from our analysis of the social value of CAP's work are significant:

- CAP delivers around £31.6m of social benefits each year, for an expenditure of £8.7m. The net social benefit minus the cost is £22.9m.
- For the 4,206 households receiving debt services (from the second visit on), this represents an average social benefit of £6,493 (net £4,621 after allowing for costs).
- For the 3,167 individual clients attending job clubs or fresh start or life skills courses, it represents an average benefit of £1,077 per person.
- CAP is almost entirely voluntarily funded, and none of this expenditure is public expenditure (except for a grant of £200,000 from NESTA, specifically for the development of Life Skills - this service is not included in this study). This means that the actual value of the investment to the public is best understood by looking at the gross benefit, without deducting costs.

# Where the return comes from

## Types of impact

The type of social impacts resulting from CAP's work can be divided into a few broad categories - debt management, personal support and group services. Often, benefits in the personal support category cannot be achieved without achieving benefits in debt management and vice-versa. This is because the causes and impacts of debt are complex and multi-faceted.

Almost all of the clients interviewed in the study were benefitting from ongoing support from CAP in one form or another. This support varied from structured courses such as life skills and money management, through to attending church social events, coffee mornings and in many cases volunteering with CAP themselves.



CAP Client

*'Helping me with the debts and all that, is such a small part of the help I've got through CAP, I've done release group [now Fresh Start] and there's a Life Skills group, which I really enjoyed last time and I'm going to do again this time because it really helps me not get into that same problem again'*

## Debt help

CAP's frontline workers are backed up by our head office caseworkers. They operate a highly professional, FCA regulated, fully audited debt advice service. This includes not only a personalised and realistic debt repayment or insolvency plan, but also a cost free service which takes, with client's agreement, unopened letters and sorts them out for them. They negotiate directly with creditors including for non-priority debts. Learning budgetary skills, such as how to save are also emphasised, through the CAP Money Course.

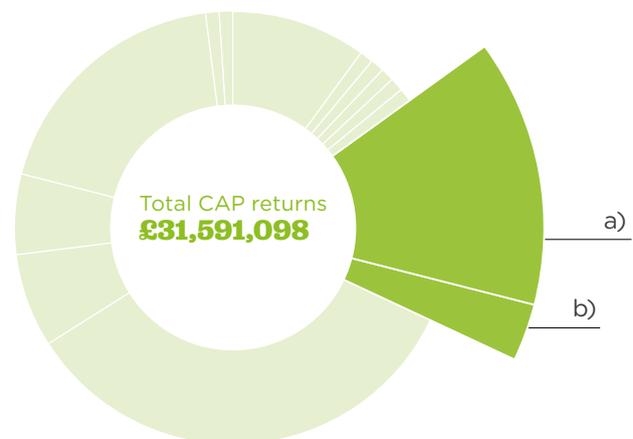
Because Debt Centre Managers commit to a client as long as they are needed, this brings the benefit of building client's confidence in themselves and in their ability to manage their money. This includes helping clients to save. Building up savings is part of the CAP payment plan; clients can access their savings for special events including Christmas, a car MOT or any emergencies. The following example show how valuable this incentive is in convincing clients that saving is possible, even on a low budget.



Debt Centre staff

*'When I phoned to tell her she was debt free, she screamed down the phone. She decided to keep to the same budget, put the rest in a savings account, then used it to go to Germany where she had not been back for 20 years.'*

## Returns from debt management



- a) £4,757,277 | Relief from being heavily burdened by debt
- b) £1,066,552 | Able to save regularly

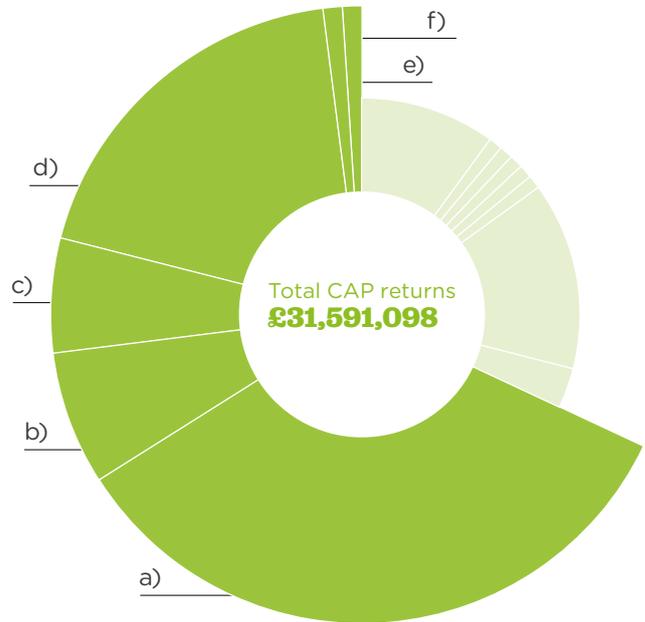
## Personal support

The personal support activities are delivered mainly within the network of churches and includes working with people in debt to address any linked emotions, which may include high stress and anxiety, shame, powerlessness and social isolation. It also includes providing practical assistance to address specific problems including worklessness, addiction, lack of budgeting and financial skill and lack of other life skills. There is also a wider CAP Money Course on budgeting and financial awareness provided by some local churches, but these are not included in this analysis and report.

The severe strain that problem debt places on a family means that high number of CAP clients are reported as having poor mental health, low self-esteem or related issues, evidenced in central records and backed up by the clients and Centre Managers interviewed in this study. Data concerning some of these impacts have been taken from CAP’s annual client survey, which speaks of the wide array of different positive effects CAP has.

The relief from depression and anxiety gain calculated here is a very conservative estimate, as it only takes into account the households who have had successful outcomes – and makes no account for those who will also benefit from the service, but either opt-out or leave the service after making a partial impact on their situation.

Returns from personal support activities for debt help clients



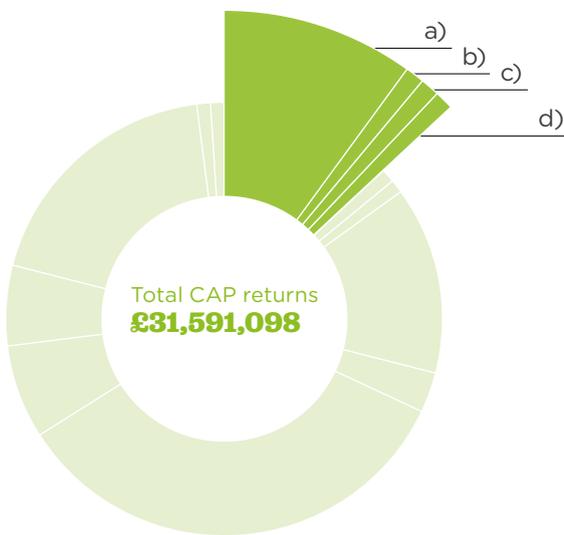
- a) £10,762,578 | Relief from depression / anxiety
- b) £2,343,701 | Feeling in control of your own life
- c) £1,928,842 | Higher confidence
- d) £6,064,393 | Relief from addictions e.g. drugs, alcohol, or smoking
- e) £223,725 | General training for job
- f) £163,303 | Being a member of a social group

## Group Services

CAP's group services (life skills, fresh start and job clubs) have some quite specific outcomes which can be quantified. As well as operating standalone, these services can also run alongside Debt Centres, adding to the impact in clients lives.

CAP Job Clubs see a variety of impacts: some people gain full or part time employment. Others are able to gain valuable experience through volunteering or education. Even delegates who don't get accepted to employment during their time with CAP, still have access to up to eight weeks of training to become job ready plus one-to-one coaching and community time.

### Returns from job clubs

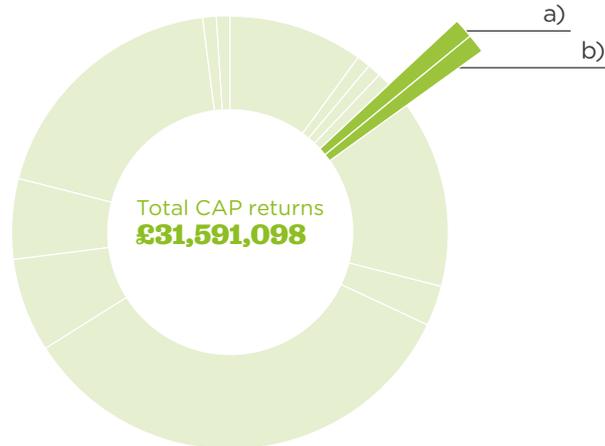


- a) £3,091,549 | Full-time employment
- b) £157,701 | Part-time employment
- c) £186,839 | Regular volunteering
- e) £435,464 | General training for job

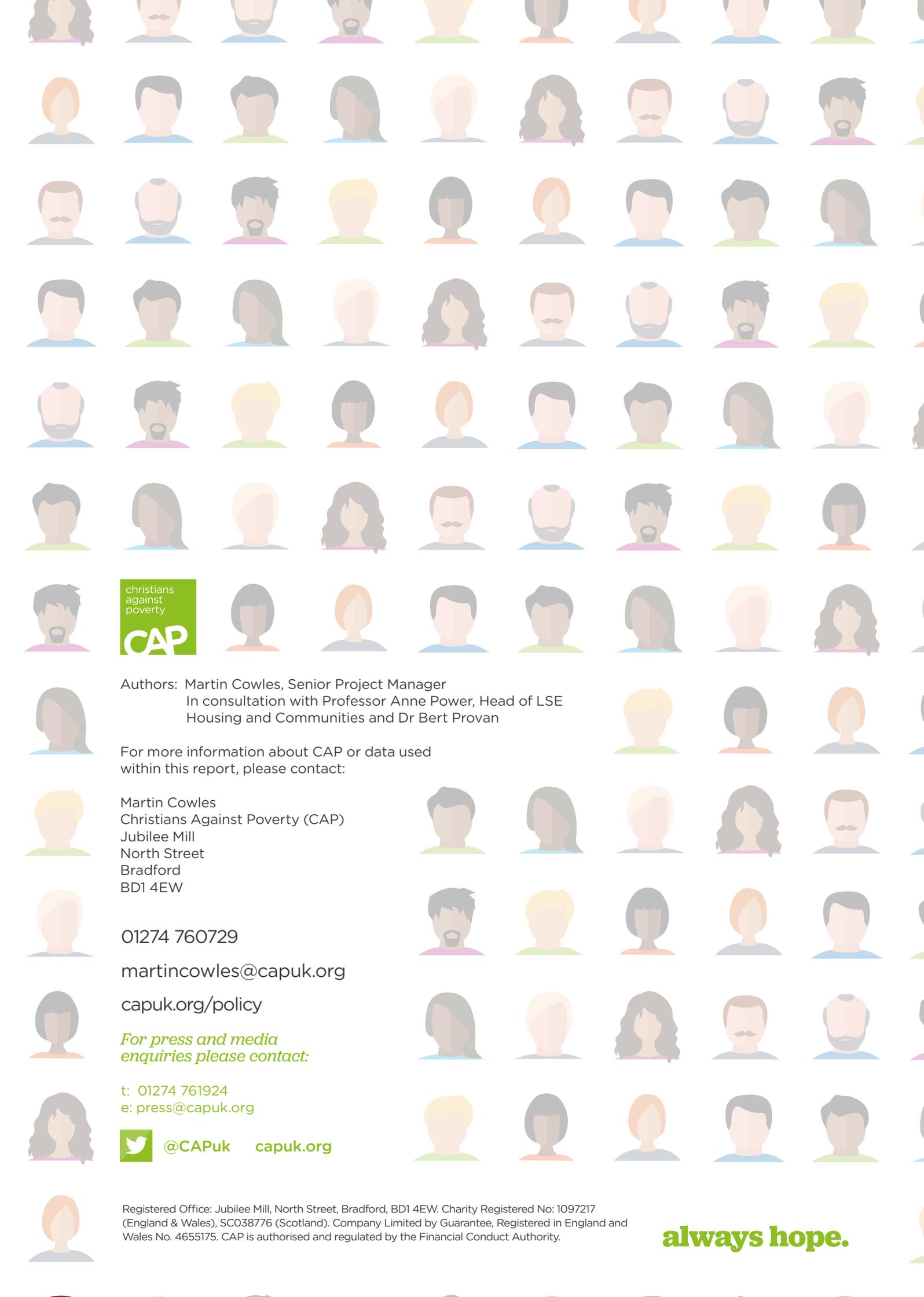
Fresh Start (formally Release Groups) helps clients identify and eliminate harmful behaviour patterns that can increase household poverty but are also sometimes caused by poverty. Although the returns listed in this study deal specifically with unhealthy alcohol, drugs or smoking use, delegates can get help for a wide range of damaging habits. These also include compulsive shopping, eating, gambling or internet use.

Life Skills groups are an additional service that provides delegates with training and coaching on a variety of subjects such as money management, mental health and cooking on a budget. However, it is currently being evaluated by another external organisation and has not been included in this study.

### Return from fresh start groups (formally release groups)



- a) £362,338 | Relief from drug / alcohol problems
- b) £46,836 | Smoking cessation



christians  
against  
poverty

**CAP**

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