



Surviving Economic Abuse – Response to the Equality and Social Justice Committee’s inquiry into the public health approach to preventing gender-based violence June 2023

Introduction

Surviving Economic Abuse (SEA) is the only charity in the UK dedicated to raising awareness of economic abuse and transforming responses to it. All our work is informed by Experts by Experience – a group of women who speak about what they have gone through so that they can be a force for change. Our response to this call for evidence focuses specifically on our area of expertise, economic abuse as a form of controlling or coercive behaviour within the context of domestic abuse. Economic abuse occurs when someone’s partner controls (through restriction, exploitation and/or sabotage) how they acquire, use and maintain economic resources such as accommodation, food, clothing and transportation.

Background

One in six women in the UK has experienced economic abuse from a current or former partner,¹ and 95% of domestic abuse victim-survivors have experienced it² with 60% experiencing coerced debt as a result.³ Physical safety is underpinned by victim-survivors’ economic safety. Women experiencing coercive control who also experience economic abuse are at increased risk of being killed.⁴

Lack of control over economic resources can result in a victim staying with an abusive partner for longer, while ongoing interference with and lack of access to economic resources post-separation is the primary reason women return to an abusive partner.⁵ Economic abuse also makes the process of rebuilding an independent life more challenging.

Economic abuse was included in the legal definition of domestic abuse in the Domestic Abuse Act (2021). Policy, legislation and practice must reflect this to make sure victim-survivors of economic abuse can access the support they need to enable them to leave the perpetrator, access justice if they choose to and rebuild their lives.

Response

¹ Refuge (2020), *Know Economic Abuse*

² SEA (2020) https://survivingeconomicabuse.org/wp-content/uploads/2020/11/SEA-EJP-Evaluation-Framework_112020-2-2.pdf

³SEA (2020) [Coerced debt - The invisible marker of domestic abuse - Surviving Economic Abuse](#)

⁴ Websdale, N. (1999) <https://ndvfri.org/meet-the-director/>

⁵ ANZ/RMIT University (2016) *MoneyMinded Impact Report: The Role of Financial Education in a Family Violence Context*

1. Put a spotlight on what works in preventing gender-based violence before it occurs (primary prevention) and intervening earlier to stop violence from escalating (secondary prevention).

Since economic abuse is thought to precede physical violence,⁶ it is vital that more work is done to prevent economic abuse from happening in the first place and intervening earlier to stop it from escalating.

In relation to primary prevention, awareness-raising and education is vital so economic control is recognised and challenged, and myths and stereotypes are addressed so victim-survivors are not blamed and know how to get support. Schools must do more through PSHE and RSE to support their pupils who are both new to relationships and managing money. PSHE and RSE should both build financial capability and increase pupils' understanding of how money, finances and other economic resources can be controlled and used by an abusive partner.

As part of this, RSE must also challenge societal gender norms around the ownership of economic resources and entitlement to them. These beliefs are deeply entrenched within our society, however educating children and young people is a key to dismantling these deep-rooted attitudes. RSE must therefore take a gendered approach to domestic abuse and safely challenge the gender norms and sexist attitudes that underpin economic abuse.

In relation to secondary prevention, it is important that victim-survivors feel able to get the support they need as soon as there are warning signs of economic abuse, and that they are listened to, believed and supported, whoever they disclose to.

Recent research conducted by Aviva in partnership with Surviving Economic Abuse found that while 76% spoke to someone about their experience of economic or financial abuse, a quarter (25%) spoke to their friends and family and almost as many (23%) spoke to their bank, before speaking to the police (13%) or any other professional body, such as victim support (13%).⁷ This highlights the important role that non-traditional stakeholders, such as banks and building societies, play in effectively responding to economic abuse.

We also know from research that women are less likely to disclose financial abuse compared to other forms of abuse, which suggests that they may be subject to a high level of control, are more fearful of the consequences of disclosing or don't recognise the abuse itself. It is therefore important that agencies within the community are proactively identifying economic abuse. For example, banks and building societies as providers of everyday financial products routinely interact with both victims and perpetrators of economic abuse and have an unrivalled ability to identify and support those experiencing economic abuse while also taking action to close down loopholes in their joint financial products and banking systems through which abusers continue to control their partner, including post-separation. It is therefore vital that banks and building societies are proactively recognising and responding to economic abuse to ensure victim-survivors can get the help they need as soon as there are warning signs.

Following economic abuse being recognised in the legal definition of domestic abuse as part of the 2021 Domestic Abuse Act, there has been major progress in how the financial services sector responds to economic abuse. For example, SEA has worked with Lloyds Banking Group to establish a specialist domestic and financial abuse team, training staff on economic abuse and seconding a member of the

⁶ Howard, M., & Skipp, A. (2015). *Unequal, trapped and controlled: Women's experience of financial abuse and potential implications for universal credit*. London: Women's Aid/TUC.

<https://www.tuc.org.uk/sites/default/files/UnequalTrappedControlled.pdf>

⁷ <https://www.aviva.com/newsroom/news-releases/2023/01/two-in-five-brits-claim-to-have-suffered-economic-or-financial-abuse/>

SEA team to it, to provide an effective response to customers experiencing domestic abuse. While [TSB has initiated an Emergency Flee Fund](#) for their customers who are impacted by domestic abuse, developed with guidance from Hestia and SEA, to financially support victim-survivors to leave an abusive partner. Overall, good practice from banks and building societies includes validating disclosures; protecting confidentiality; offering, signposting or referring to the right source of help; being proactive; helping victims to regain control of their financial affairs; offering forbearance and developing and implementing a domestic and economic abuse policy.

Furthermore, The Financial Conduct Authority (FCA) has now produced guidance for firms on the fair treatment of vulnerable customers recognising specialist financial abuse teams as good practice that large financial services firms may consider. In addition to this, the FCA's implementation of the Consumer Duty sets to raise the bar even higher across the financial industry. The introduction of a 'consumer principle' requires firms to deliver good outcomes for all retail customers. The duty sets out provisions that require firms to mitigate foreseeable harms for vulnerable consumers throughout the entire customer journey – including both product design and customer support. As [SEA's briefing](#) sets out this could mark a substantial shift in how products and services are currently designed which reduces the risk of exploitation and economic abuse, particularly through digital channels.

The Equality and Social Justice Committee should consider recommending as part of its inquiry that the Welsh government identifies and engages with non-traditional stakeholders, including the financial services sector, as part of a coordinated community response to domestic abuse. This would help ensure that early opportunities to spot economic abuse are identified and that the financial services sector recognises and accepts its responsibility to provide an effective response its customers who may be experiencing domestic and economic abuse.

2. Consider the effectiveness of a public health approach to preventing gender-based violence and what more needs to be done to address the needs of different groups of women, including LGBT+, ethnic minorities, young and older people at risk of violence at home and in public spaces.

See further information above on the effectiveness of a public health approach to preventing gender-based violence i.e. through challenging societal gender norms that underpin economic abuse through RSE and through the coordinated community response including non-traditional stakeholders to maximise the opportunities for early intervention.

With regards to addressing the needs of different groups of women, it is important to recognise that abusers derive their power from structural inequalities linked to gender, socio-economic status, ethnicity, sexuality, disability and age. While anyone can experience economic abuse, the likelihood increases when an individual has fewer personal, social and economic resources, while an individual's experience of intersecting inequalities may also make it harder for them to access support or resources to flee the abuser.

One specific group who are unfairly discriminated against in terms of accessing support to be able to flee abuse and hold the abuser to account is migrant victim-survivors. Abusers often exploit a woman's immigration status to perpetrate economic abuse, for example by withholding documentation like passports or visas, purposely letting a victim's visa lapse or not carrying out their sponsorship duties. Yet migrant victim-survivors face huge additional barriers to accessing vital help to leave their abuser due to being classified as having no recourse to public funds (NRPF).

We are pleased that the Welsh Government has committed to making sure all victims have equal access to appropriately resourced, high quality, needs-led, strength-based, inter-sectional and

responsive services across Wales in its 2022-2026 VAWDVSV strategy. This must include the provision of economic advocacy support services for migrant victim-survivors with NRPF. We hope the Equality and Social Justice Committee's inquiry will recommend that the Welsh government presses the Westminster government to extend the Domestic Violence Rule and Destitution Domestic Violence Concession to all survivors of VAWG to better support migrant victim-survivors.

3. The role of the public sector and specialist services (including the police, schools, the NHS, the third sector and other organisations that women and girls turn to for support) in identifying, tackling and preventing violence against women, and their role in supporting victims and survivors.

The multi-faceted nature of domestic and economic abuse and its impacts means that coordinated approaches are needed to effectively address it. This must include working in partnership with 'non-traditional' stakeholders, for example, debt, benefits and money advice organisations and financial institutions, as well as the delivery of financial capability and economic advocacy services if economic abuse is to be effectively addressed.

Economic advocacy is key to victim-survivors' immediate safety as well as long-term economic independence and security. Post-separation economic abuse is the primary reason women return to an abusive partner.⁵ While women's experience of economic abuse, including post-separation, and subsequent lack of access to economic resources, like housing, income, clothes and food, also makes rebuilding an independent life extremely challenging.

We recommend that the standard support offer in all domestic abuse services should include economic advocacy in partnership with money, debt, and benefits advice as well as financial services to help victim-survivors establish economic safety. An example of specialist economic advocacy is the [Financial Support Line](#), a specialist telephone advice line for anyone experiencing domestic abuse who is in financial difficulty run by Money Advice Plus in partnership with SEA, [and the Economic Justice Project](#), a pilot project where local domestic abuse services and money and debt advice services were brought together and received training to support the economic needs of victim-survivors. A Debt and Benefit Specialist role was located within the domestic abuse service, bringing together expertise on domestic and economic abuse and money and debt advice. Thus, increasing understanding of actions that could be taken to respond to economic abuse and upskilling the service's staff to provide better outcomes for victim-survivors.

SEA in partnership with Money Advice Plus has also created an information-sharing tool which is being used to ensure consistency in economic advocacy services. Modelled on the existing [Debt and Mental Health Evidence Form](#), the [Economic Abuse Evidence Form \(EAEF\)](#) is focused on responding to coerced debt and is being piloted by debt advisers to verify the experience of economic abuse, when communicating with creditors about coerced debt. SEA's research shows that victims have an average of five creditors, and currently victims have to contact them and negotiate with them separately, repeating their story to each organisation, often more than once. The EAEF verifies that victims have experienced economic abuse, so that creditors can help them find a solution to coerced debt, such as a debt write off, providing a quicker, easier and more consistent response for victim-survivors. SEA would also like to explore piloting this form as part of a process of credit repair, providing evidence for creditors to re-establish the credit score held by the victim-survivors before they experienced abuse so it reflects their financial behaviour, rather than the abuser's economic control.

By working across public sector agencies, specialist support services and private sector organisations such as banks and building societies, employers, utilities and telecommunication providers, and the legal sector, the coordinated community response can help maximise space for action for victim-

survivors. Thus, helping victim-survivors to disclose the abuse and access support, as well as ensure that abusers' space for action is closed down and they are held to account.

The Equality and Social Justice Committee's inquiry should recommend that economic advocacy services are commissioned as part of the Welsh government's response to domestic abuse to ensure victim-survivors establish economic safety in both the short and long term.