



## **Women's Budget Group Commission on a Gender-Equal Economy call for evidence – transformative policies and practices**

### **Submission by Surviving Economic Abuse, 30 May 2019**

#### Introduction

- 1 The call for evidence seeks examples of policies or practices that have been, or have the potential to be, transformative from a gender equality perspective. This submission presents the inclusion of economic abuse in the definition of domestic abuse in the draft Domestic Abuse Bill, as a policy and legislative reform with far-reaching potential to transform gender relations and achieve greater gender equality. This was a key ask for the draft Bill by Surviving Economic Abuse (SEA) and the organisation's work was instrumental in its inclusion. SEA is the only UK charity dedicated to raising awareness of and transforming responses to economic abuse.
- 2 Our responses to the questions asked will focus on the transformative potential of the introduction of economic abuse into the statutory definition. It will also outline the measures committed to by government and already in train to ensure that this step change in policy will have a real impact in the lives of women.

#### Which policy or practice, that you know of, has had a transformative impact on gender-equality?

3. One in five people in the UK report having experienced economic abuse in a current or former intimate partner relationship.<sup>1</sup> Economic abuse is often linked with physical, sexual and emotional abuse, within the context of coercive control. The risk of experiencing physical abuse among those who experience economic abuse is nearly five times greater than among those who do not.<sup>2</sup> The introduction of economic abuse into the statutory definition of domestic abuse is transformative because it represents the first time that the UK government has explicitly recognised this form of abuse in legislation. Economic abuse is the interference (through control,

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<sup>1</sup> The Cooperative Bank & Women's Aid (2015), My Money, My Life.

<sup>2</sup> Outlaw, M. (2009) No One Type of Intimate Partner Abuse: Exploring Physical and Non-Physical Abuse Among Intimate Partners *Journal of Family Violence*. 24: 263-272

exploitation or sabotage) with a partner's ability to acquire, use and/or maintain economic resources. Economic resources include money, housing, transportation, utilities such as heating or items such as food or clothing. It creates or reinforces economic instability, limiting women's choices and ability to access safety. Lack of access to economic resources can result in women staying with an abusive partner for longer than they otherwise would and experiencing more harm as a consequence. Economic stability is therefore linked to physical safety.

4. Statutory guidance on the offence of controlling or coercive behaviour in an intimate family relationship introduced by the Serious Crime Act 2015, recognised financial abuse as a form of such behaviour. However this term does not capture the full range of actions through which a person may exploit or control their partner's economic resources. It was seen as limited to "just" access to money and finances, and not the other things that money can buy which include food, clothing, transportation and a place to live. The legislation was also framed as dealing with psychological abuse, and very few reports of successful prosecutions describing financial/economic abusive behaviours are named as such. From a database compiled by SEA of successful prosecutions for coercive control, 63% contained economic abuse but 94% of these cases failed to name it. The broadening out of the definition to economic abuse means that the many and varied ways in which perpetrators control and manage their partners' economic resources can now be caught by the law. The large proportion of coercive control cases which include economic abuse also indicate how transformative the inclusion of economic abuse could be, potentially leading to economic justice and greater equality for a significant cohort of domestic abuse victims.

#### What happened as a result of the policy or practice?

5. The government's response to the consultation *Transforming the Response to Domestic Abuse* and the draft Bill published alongside it<sup>3</sup>, shows that the government has understood the importance of recognising economic abuse in this way.

"We will include economic abuse in the new statutory government definition of domestic abuse and accompanying statutory guidance to ensure that economic abuse and its impact is legally recognised, to improve knowledge and awareness of the issue and provide better support to victims."

This commitment is backed up by a number of statements and commitments outlined below.

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<sup>3</sup> *Transforming the Response to Domestic Abuse: Consultation Response and Draft Bill*, presented to Parliament January 2019

6. The response says that the government will specify economic abuse as a distinct type of abuse as it encompasses a wider range of behaviours than financial abuse. The response shows the improved understanding of economic abuse by government through its inclusion in the legislation, recognising that: "Economic abuse goes beyond financial abuse and can involve behaviours that control a person's ability to acquire, use and maintain economic resources. This may include money, food, transport and housing – for example, restricting the use of a car or ruining credit ratings."
7. To ensure that this is picked up by law enforcement agencies when investigating and prosecuting the offence of controlling or coercive behaviour, the statutory guidance and legal guidance for the Crown Prosecution Service will include economic abuse and how this form of abuse can manifest itself as part of coercive control.
8. In its response to the consultation the government states that it wants to not only increase awareness and understanding of economic abuse but also ensure victims can be identified and supported and perpetrators held to account. The government took note of the following specific features of economic abuse on which submissions were made by SEA and others:
  - The severity and lifelong impact of economic abuse and that it can often happen after the relationship has ended
  - The immense barriers that victims-survivors face in escaping this abuse and rebuilding their lives: from the inability to end joint bank accounts and mortgages without both parties agreeing, to difficulties accessing appropriate housing and refuge, to getting a mobile phone
  - Other barriers such as struggling to clear debt taken out by perpetrators in victims' names, and the resulting impact on credit ratings
  - Economic abuse can also be perpetrated through the courts system, e.g. perpetrators taking victims to court knowing the victim does not have the funds needed for lawyers, and child maintenance not being paid
  - Problems with the benefits system, and specifically Universal Credit
  - The need to improve awareness among financial institutions and statutory agencies of economic abuse and its complexity
9. The government followed this up by outlining a series of practical measures to increase awareness of economic abuse among financial and statutory institutions. This builds on work already started, of which the government identifies as a key initiative the contribution of £100,000 towards the setting up of SEA as a charity through the Tampon Tax Fund, and £164,000 for the Domestic and Economic Abuse Project (DEAP1) led by SEA and Money Advice Plus to increase the capacity of existing telephone casework services and provide training to money and debt advice services, housing associations and domestic abuse services.
10. Government has also committed to continue to work with UK Finance to encourage banks and financial authorities to do more to support victims of domestic abuse and help them move forward to escape debt, joint

accounts and mortgages. This will build on work around the Financial Abuse Code of Practice launched in October 2018, a voluntary code signed up to by banks and building societies to bring increased awareness and understanding of financial abuse for firms, victims, potential victims and their families, and ensure more consistency in the support available for those who need it. Firms currently signed up include Barclays Bank, HSBC UK, Lloyds Bank, NatWest, and Nationwide and Yorkshire Building Societies. A consumer information pack to help victims know what support they can expect, has been created as part of this work.

11. The government committed to providing approximately £250,000 to create a national advice service for banks and building societies, further increase the capacity of existing telephone casework services for victims of domestic abuse and develop resources to help people identify if they are experiencing economic abuse.
12. The national advice service was launched in May 2019 by SEA in partnership with Money Advice Plus, funded by the Home Office as part of the Domestic and Economic Abuse Project (DEAP2). It aims to build the capacity of banks and building societies to implement the Financial Abuse Code of Practice, thereby improving their response to victim-survivors of domestic abuse, recognising them as vulnerable customers. The service also provides information to victim-survivors on how they can engage with banks and building societies and what can be done to support them. The service provides:
  - A helpline for banks and building societies seeking to access expert advice for their work to support customers
  - Training for staff working in banks and building societies to better understand and support customers
  - Toolkits for banks and building societies to guide their interactions with customers
  - Resources for victims who experience economic abuse within the context of domestic abuse on how they can engage with banks and buildings societies and what the banking industry can do to support them via the Code of Practice
13. DEAP1 is already having a wider reach than originally envisaged with training being provided to a broad range of sectors including local authorities. Nearly 80% of those trained had not previously had training on economic abuse, demonstrating the potential of this policy to transform the understanding of domestic abuse and the response to it. Over 86% of those trained felt that they had an increased understanding of: economic abuse; the link between economic and physical safety; and the longer term impact of economic abuse. A survey of updated training from the project showed that 91% have an increased understanding of how to help a victim of economic abuse, with 96% now aware of a range of tools and resources that can be used when responding to economic abuse.

14. With regard to other statutory agencies the government has committed to providing £47,000 of funding to update proven police training so that it covers economic abuse (delivered by SafeLives in partnership with SEA), and £200,000 of funding to the National Skills Academy for Financial Services to work with SEA and Gentoo to develop and deliver financial capability training for frontline workers to support individuals who are experiencing economic and finance-related domestic abuse. Further, DWP delivered updated training on domestic abuse, including financial abuse, to all Child Maintenance caseworkers in 2018.
15. In recognition of the many barriers to victim-survivors in rebuilding their lives and to support them to return to work when they are ready to do so, the government has committed to £500,000 of funding, focusing on those with additional barriers to participating in the labour market with a specific focus on those who have been subject to domestic abuse.

Was the policy or practice implemented at local, regional, national or international level?

16. The draft Domestic Abuse Bill extends to England and Wales, where the new definition will apply.

Could the policy or practice be implemented in other contexts? If so, how? If not, why not?

17. With increasing recognition and understanding of economic abuse as closely linked to other forms of domestic abuse, this policy could be implemented in other contexts to ensure that domestic abuse is addressed more comprehensively. This could be done through providing a definition of domestic abuse which includes economic abuse in legislation and/or by ensuring economic abuse is clearly recognised in policies and practices which address domestic abuse.
18. SEA initiated and now coordinates an International Network. It shares best practice and research on economic abuse with practitioners, researchers and policy-makers. It has over a hundred members across nine countries, and is looking to expand as interest and understanding on the issue grows. A survey of the Network showed that almost all who responded found it beneficial, and 60% had shared resources made available via the Network within their own networks, extending its reach further. Members had used Network resources for a range of purposes including responding to government consultations, designing or delivering training, and also to successfully apply for funding to adapt resources shared for use in other countries.