

Coerced debt: Impact and statistics

Forcing or coercing someone into debt is a common form of economic abuse.

Economic abuse is the control of a person's economic resources through restriction, exploitation or sabotage. Resources can include money, food, transportation and accommodation.

Economic abuse occurs alongside other forms of abuse. It is commonly part of a pattern of behaviour called **coercive control**, which limits women's choices and ability to access safety.

This fact sheet outlines the profound impact coerced debt has on victim-survivors' lives. It also looks at what Surviving Economic Abuse (SEA) is doing in partnership with other organisations to change this.

One in ten women in the UK states that a partner has put debts in their name and that they had been afraid to say no.¹



Understanding coerced debt

An abuser may coerce their partner into debt in any of the following ways:

- making them take out a credit card or loan against their wishes
- making them buy something on credit against their wishes
- taking out a loan, mortgage or credit card in the victim's name
- using their credit card
- using other sources of credit in the victim's name, such as an internet account or phone
- putting bills in the victim's name, including rent or mortgage payments, utility bills, car finance agreements, mobile phone contracts or catalogue payments
- forcing the victim into a position where they must take out credit to afford to live

The nature of coerced debt means there are negative and sometimes violent consequences for not doing as the abuser asks. **Debt may feel like the safest option.**

Prevalence

In 2017, SEA started the **Economic Justice Project**, which operated across three London boroughs and aimed to use consumer law to challenge coerced debt. Working with partners at Solace Women's Aid and Money Advice Plus, SEA introduced a screening tool to identify economic abuse with 278 domestic abuse survivors.

Within the Project:

- **95%** had experienced at least one form of economic abuse.
- **60%** confirmed that they experienced at least one form of coerced debt.
 - **50%** said their partner made them get a credit card, loan, or buy something on credit against their wishes.
 - **Nearly a third** (32%) said their partner had a loan or credit card with their name on it or had bought something using their credit.
 - **46%** said their partner had built up debt in their name, e.g., by using their credit card, internet account or phone.
- **73%** found that their partner kept vital information about finances from them.
- **Two thirds** said they felt forced to buy things or pay bills for their partner.
- **Almost 80%** said the abuser spent their own money on whatever they wanted, while the victim-survivor was left to cover the essentials.²

60% of women in the project confirmed that they experienced at least one form of coerced debt.²



Counting the cost

In addition to the immeasurable emotional cost to victim-survivors of economic abuse, coerced debt can be a heavy financial burden.

The Economic Justice Project supported 209 women with coerced debt. In total, debt was written off in **almost a quarter (24%) of cases**, representing nearly **£234,000**.²

The average amount of coerced debt per woman was £4,588.23 (based on write-offs). The highest was £40,703.99.²



In partnership with Money Advice Plus, SEA also runs a specialist financial support line for victims of domestic abuse with financial difficulties. Between September 2018 and August 2020, 394 callers reported at least one debt, with **an average of five creditors**.³ The highest number of creditors in one case, however, was 27.

Close to half (**44%**) of the debt that victim-survivors faced was **priority debt**, meaning they were at risk of being made homeless or having their utilities cut off.³

Rebecca's story

"I would ring them, I would explain it's as a result of financial abuse...that I was currently fleeing domestic violence...and they just said 'Sorry, there's nothing we can do, it's in your name'. I just felt completely helpless."

Rebecca was abused by her ex-partner, who left her with debt he had built up in her name. When she contacted the creditors, they were unsympathetic to her situation.

When she first contacted SEA, Rebecca had been supported by a debt charity to set up a plan to pay off the debts. She had been following the plan for seven years and had **another 16 years** to go before she was debt-free.

SEA referred Rebecca to the national casework service, and she was supported to apply for a number of debt write-offs.

"You're not able to get any form of credit, a mortgage, car finance, nothing — it completely affects every single aspect of your life... when I was told it would be written off, it was such a surreal, amazing feeling... to finally break one of those invisible chains that links you to the perpetrator."

— Rebecca



Next steps

Working in partnership with Money Advice Plus, SEA plan to pilot the **Economic Abuse Evidence Form (EAEF)** to benefit victim-survivors of economic abuse.

We believe the EAEF will result in fairer, more consistent decision making in cases of coerced debt.

The EAEF will provide a single mechanism through which a money or debt advisor can tell a creditor that their client has experienced economic abuse. The form can verify the evidence of coerced debt, and ensure the victim-survivor will only need to tell their story once.

The design of the EAEF has been informed by victim-survivors' experiences and the Economic Justice Project screening tool. In addition to its positive impact on individuals, the form can help gather evidence of industry-specific issues, which SEA will use to influence change in policy and practice.

The introduction of the EAEF will also support creditors to deliver on the UK Finance Financial Abuse Code of Practice.⁴