



Know economic abuse

Helping mortgage brokers support clients
experiencing economic abuse

The
co-operative
bank



For women and children.
Against domestic violence.



Did you know?
One in six UK adults has experienced economic abuse by a current or former partner, and over a third didn't tell anyone at the time.



We've joined forces with domestic abuse charity Refuge and Surviving Economic Abuse on our Know Economic Abuse campaign. As a broker this information may help you to understand what economic abuse is, how to recognise it in the context of domestic violence, and know what you can do to support victim-survivors.



If you believe someone needs help urgently

You can call Refuge's National Domestic Abuse Helpline, 24 hours a day, seven days a week, for free on **0808 2000 247**

Or call the police on **999** if you or someone else is in immediate danger.

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Refuge

For women and children.
Against domestic violence.

SURVIVING
ECONOMIC
A B U S E

Information written by Surviving Economic Abuse. Registered charity number 1173256. Visit survivingeconomicabuse.org for more information.

Information correct as at 06/2021.

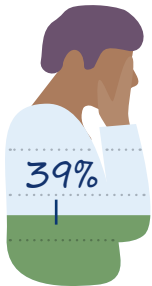
“ Money doesn't make you happy but without money, there's nowhere to go. That's why, for me, economic abuse is the greatest form of control. ”

Understanding economic abuse

Domestic abuse takes many forms. Some abusers repeatedly dictate their partner's choices and control their everyday actions, becoming violent or threatening to become violent if their demands are refused.

Abusers may control (through restriction, exploitation and/or sabotage) their partner's access to money and finances, as well as those things that money can buy (such as food, clothing, transportation and a place to live). This is **economic abuse**, and it is designed to limit someone's freedom.

This type of abuse can create economic instability and/or make one partner dependent on the other, which can prevent victims from leaving and rebuilding their lives.



39% of UK adults have experienced behaviours that suggest they have experienced economic abuse

Economic abuse and mortgages

“ A court order said the house must be sold. When I had to apply for a new mortgage during the process, he refused to put his signature down until I paid for all fees up-front. Both our names were on the mortgage and we needed both signatures, but it's maddening that I was solely responsible for meeting all the expenses. ”

One way in which perpetrators of economic abuse control their partner or ex-partner is through joint financial products, such as a mortgage.

If the abuser and their partner already have a joint mortgage, the abuser might:

- fraudulently apply to re-mortgage the property, including releasing equity, or force their partner to agree to apply for a re-mortgage under duress
- stop paying their share of the mortgage
- withhold consent to re-negotiate the mortgage interest rate, causing payments to rise
- withhold consent for a sale, re-mortgage or equity release
- deliberately cause severe damage to the property, putting it in negative equity
- leave the UK or abscond, leaving their partner to deal with debts and repayments
- refuse to move out of the home.

- use duress to force their partner to 'agree' to the family home being used as security for another loan, such as a business loan
- rent out a buy-to-let property with all the paperwork in their sole name as the landlord, meaning their partner is not able to make any decisions or take any action in relation to the renting of the property.

Abusers can use mortgages as a tactic even if they do not have a joint mortgage with their partner. For example, they might:

- fraudulently apply for a mortgage in their partner's name
- force their partner to apply for a mortgage under duress
- fraudulently apply to be added to their partner's mortgage or property deeds
- use spousal rights to register their name on the property deeds.

Other tactics that may indirectly affect a partner's mortgage include the abuser:

- insisting an estate agent/surveyor values the property too highly to make a sale unlikely if it goes on the market
- sabotaging viewings to put off prospective buyers
- deliberately causing damage to the property to sabotage a sale and make the home undesirable
- manipulating professionals such as estate agents so that rental incomes go to them
- refusing to remove their name from the property register.

A joint financial product like a mortgage often means economic abuse can continue long after a relationship has ended.

Did you know?

39% of people who were in debt as a result of economic abuse said that they were still paying it off.



“
I can't sell the property
as he won't let me pay
for everything and
should be allowed to
sell, but I can't.”

The impact of economic abuse via a mortgage

Debt

The most common way in which people who experience economic abuse via a mortgage product are affected is that they are left with significant debt, including mortgage arrears.

Often, people who experience this type of economic abuse are forced to take out loans and credit cards, or borrow substantial sums from family or friends, in order to maintain payments, prevent arrears and pay legal fees.

Repossession

Repossession proceedings can be issued within three months of the mortgage being in arrears. However, financial proceedings to make the perpetrator pay their share or decide on what to do with the house can take more than two years if the perpetrator is effective in delaying them. The house may have been repossessed by this time.

Affordability

Often, people who have experienced this type of economic abuse will have paid a joint mortgage on their own for many years if the abuser has refused to pay their share. They may finally get the property signed over to them after lengthy court proceedings, only to find that they do not meet the lender's affordability criteria for a mortgage in their sole name.

Mortgage prisoners

People who jointly own their home with the abuser can find themselves trapped in an unaffordable mortgage if the abuser refuses to re-mortgage or switch. This is a very effective way in which abusers deplete their partner's finances and force them into arrears.

Eligibility for legal aid

Homeowners who have experienced economic abuse are unlikely to be eligible for legal aid, regardless of their actual economic situation. This can impact their ability to begin legal proceedings against the abuser, such as making decisions about child contact or obtaining protective court orders. Homeowners often need to go through lengthy court proceedings to divide assets, including the property.



The role of mortgage brokers

There are some key signs to look for, that may help identify that a client is vulnerable to economic abuse or already a victim.

Noticing the signs and acting on them can have a huge impact on someone's safety and economic stability. It might be daunting to talk about economic abuse, but remember that you aren't there to solve everything. By simply talking to the client about the issue, you are playing a crucial role to help them achieve economic safety.

Look out for warning signs

There are some key signs to look for, that may help identify that a client is vulnerable to economic abuse or already a victim.

Look out for clients who:

- ! Remain silent while another party does all the talking
- ! Instruct you to speak to their partner
- ! Seem to be taking instructions from their partner
- ! Appear withdrawn, fearful, distressed or scared
- ! Do not understand or are not aware of a mortgage in their name



- ! Have concerns about protecting their personal privacy or safety
- ! 'Spoil' an application form (perhaps for the opportunity for a call from the mortgage provider to say what is happening)
- ! Indicate their mail is no longer being delivered to their home
- ! Ask for something that would clearly not be in their best interest, such as adding a partner to their mortgage or using their
- ! Ask for equity to be released from a joint property and try to speak on behalf of both parties
- ! Ask for equity or a loan to be paid into their sole account despite there being a joint account
- ! Tell you that their partner is not paying their share of the mortgage
- ! Also look out for third parties who present a form carrying the client's signature that is otherwise completed in different handwriting.



A third of survivors suffer in silence, telling no one about the economic abuse they are experiencing.

How to respond

¹ [The Financial Services Vulnerability Taskforce](#)

² [UK Finance Financial Abuse Code of Practice](#)

Clients experiencing economic abuse may approach you to let you know what is happening and ask what your company can do to help. It may be very daunting for someone who has experienced economic abuse to talk about what has happened to them. If a client is a victim of economic abuse, it is important to know how to respond so they know that you are there to support them.

The [Financial Services Vulnerability Taskforce](#)¹ and the [UK Finance Financial Abuse Code of Practice](#)² have set out the ways in which banks and building societies should respond to vulnerable clients. This includes clients who have experienced economic abuse.



"I've had to pay for the mortgage and everything for the house, then when it was sold he got 50%."

The guidance advises responding to vulnerable clients in the following ways:

1

Respond with empathy

You may be the first person that someone who has experienced economic abuse shares their story with. Offer a supportive response that is sensitive to the issues the client may be experiencing and encourages them to share their story with you and seek support.

Many financial service providers offer training on economic abuse for staff, and the training can help you to respond appropriately to clients. Surviving Economic Abuse offers specialist training to companies on economic abuse. See more information below.

2

Invite the client to speak privately about the issue

If you are not already speaking in private with the client, offer to move the conversation to somewhere quiet where they cannot be overheard.

3

Be flexible

Many financial service providers have policies on supporting vulnerable clients, including clients facing economic abuse. Find out if yours has a policy like this. Many policies specify ways in which normal procedures can be altered to better support vulnerable clients. It may be that you can offer a vulnerable client a longer appointment, for example.

4 Don't ask the client to repeat their story

It can be difficult for people experiencing economic abuse to share their story, let alone share it more than once. With the client's consent, note their story securely on their file so that they do not need to repeat it to other staff members.

5 Offer specialist help

Refer the client to specialist services, including external sources of help relevant to their situation (for example, a domestic abuse organisation, specialist debt services or independent legal advice). Specialist services can support them with information to help them make financial decisions.

6 Consider speaking to the client's family or friends

The client may ask you to speak to a friend or relative on their behalf. Consider doing this if it would provide support for the client. However, it is important to be aware that sometimes family members may also be implicated, especially when intimate partner violence is taking place in the context of honour-based abuse. If the client has a family member or friend with them, try to make sure that they are able to speak freely in front of this person. If you have any concerns, it is best to speak directly to the client or suggest that you call back at a time when they are alone.

7 Consider alerting the police

If you have reason to believe that a client may be in immediate danger of fraud or other criminal activity in relation to their mortgage, ask the client if they would like you to involve the police. Alerting the police may in some cases put victims of economic abuse at risk of further harm, so always involve the client if this is something you are considering.



Alert authorities if a client is in immediate danger and you think it is safe to do so.

"If someone has got a joint mortgage and only one person is paying, why should they need a second signature? He controls what I pay – it's another form of control."





Almost a quarter had been unable to buy a home as a consequence of their damaged credit rating



say the abuse began when they moved in with their partner

Supporting the client

There are a number of ways that you can support clients facing economic abuse to regain control of their finances and help prevent further abuse.

Only support a client to take the following actions if they are sure that it is safe for them and would not lead to further harm from the abuser. Only support a client to take the following actions if they are sure that it is safe for them and would not lead to further harm from the abuser.

Pursue the perpetrator for debts

The abuser may have forced their partner into mortgage arrears. Your company may have a policy that allows you to write-off debt that is a consequence of domestic abuse, including economic abuse. Or can you pursue the abuser for the re-payment of the debts?

Pursue the perpetrator for mortgage payments

Many perpetrators of economic abuse refuse to pay their share of the mortgage, sometimes doing so to force the account into arrears and prompt repossession. If a client reports

this behaviour to you, is here a way that you can actively pursue the other party for their share of the payments?

Consider allowing a payment holiday

Many financial service providers have policies that allow vulnerable clients, including clients experiencing domestic abuse, a payment holiday that gives them a 'breathing space' while things are particularly difficult. Find out if this is something you could offer the client while assets are being divided or while they are reaching safety.

Please be aware that it's common for financial proceedings to take over a year in cases of economic abuse where the proceedings are being deliberately delayed.

Allow decisions in the best interests of both parties

Do your company's policies allow one party to make decisions without the other's consent where they would clearly be in the best financial interest of them both, for example, switching to a lower interest rate?



Help and advice

24%

of respondents said that they did not think that they could go to their bank for help or advice about economic abuse

Amend credit scores

Being in mortgage arrears can have a significant impact on someone's credit score, which can make it difficult for them to become economically stable.

If a client's credit score is affected as a result of the abuser's behaviour, consider amending their records to more accurately reflect their credit worthiness.

Outline all the options

If financial or legal proceedings that will decide the future allocation of the home are ongoing, ensure that the client knows what their options will be.

Send correspondence to a new address

If a client has left their home due to the risk of immediate danger, they might prefer to use the address of a refuge or safe house with a PO Box, or they might prefer to have letters sent to a bank branch to collect.

Keep the client's details secure

If the client has moved to a new address because they have experienced domestic abuse but still have a joint mortgage with the abuser, it will be very important to keep their new address details secure. Ensure that the abuser does not have access to the client's new address through profiles being linked and consider what is written on documents they may be requested for court proceedings.

Review your bank's policy on supporting vulnerable clients

There may be other ways in which your employer has committed to supporting vulnerable clients.

Speak to the vulnerable client team

Your bank may also have a team dedicated to supporting clients in financial difficulty. Speak to them to find out more about how you can support clients who have experienced economic abuse.

Review policies

Work with a domestic abuse specialist to review policies and mortgage agreements to try to close-down opportunities for abuse. Does your company have robust policies in place to deal with fraud and coercion appropriately and safely?

Request training on economic abuse

Speak to your organisation about whether training on economic abuse could be provided. Surviving Economic Abuse offers specialist training and consultancy to financial service providers on economic abuse. Please get in touch on training@survivingeconomicabuse.org if you would like to find out more or book training, or work with us to review your company's policies.

Real stories

“My credit rating is terrible, and I have no hopes of clearing my debts until the divorce is finalised. I owe close to £4,000 and it has had a huge impact on my mental health. I go to bed at night dreaming that someone will clear my debts.”



Jennifer, survivor of economic abuse, interviewed by Refuge

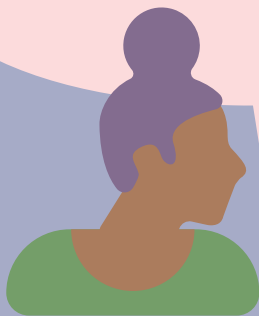
“Car finance had to be in my name, but I wasn’t allowed to use the car, or keep it when we separated. A loan was taken out in my name, I was left with that debt. My credit cards were taken without my knowledge, I’m guessing at night, and £4,000 of debt in one month was run up.”



Female survey respondent

“I was married to my ex for almost twenty years, and experienced economic abuse from the beginning ...of the relationship.

However, it was only after around ten years that I identified his behaviour as abuse, as I had previously thought it was normal.”



Sara, survivor of economic abuse, interviewed by Refuge

“I was to have everything paid directly to their bank account ...and then be given an allowance which I was required to have receipts for, to prove where I had been/what I had bought. No surprises, or gifts were allowed as they were considered “unnecessary uses for money”. He also took out contracts for internet and TV packages using my name so as to keep me tied to him and “owe him” so I was not tempted to leave.”



Male survey respondent

Information and resources

Surviving Economic Abuse (SEA)

Surviving Economic Abuse (SEA) provides a wide range of specialist support to women who have experienced economic abuse and to those who are supporting victims.



survivingeconomicabuse.org



0808 196 8845 - Financial Support Line

(9am–5pm Monday to Thursday,
and 9am–12.30pm on Fridays)

Refuge's National Domestic Abuse Helpline

A freephone 24-hour helpline run for women experiencing domestic violence, their family, friends, colleagues and others calling on their behalf.



0808 200 0247 (24 hours)



nationaldahelpline.org.uk (Live chat, Mon-Fri, 3-10pm)

The Men's Advice Line

A confidential helpline for all men experiencing domestic violence by a current or ex-partner.



0808 801 0327



info@mensadvice.org.uk



mensadviceline.org.uk

Live Fear Free Helpline / Llinell Gymorth Byw Heb Ofn

Supporting victims of domestic and sexual violence in Wales.



0808 80 10 8000



info@livefearfreehelpline.wales



gov.wales/live-fear-free



24/7 text service 078600 77 333

Scottish Women's Aid

Scotland's 24-hour Domestic Abuse and Forced Marriage Helpline.



0800 027 1234



helpline@sdafmh.org.uk



womensaid.scot or sdafmh.org.uk

Northern Irish Women's Aid

Supporting victims of domestic and sexual violence in Northern Ireland.



08008 802 0404 (24 hours)



info@womensaidni.org



womensaidni.org

Victim Support

Free and confidential support if you've suffered from any crime, with information and support for victims of domestic abuse, as well as specialist case workers.



0808 16 89 111 (24 hours)



victimsupport.org.uk

GALOP – National LGBT+ Domestic Abuse Helpline

Emotional and practical support for LGBT+ people experiencing domestic, emotional or financial abuse.



0800 999 5428 (Mon-Fri, 10am-5pm, Wed-Thu, 10am-8pm)



help@galop.org.uk



galop.org.uk

If the client is an older person experiencing domestic or economic abuse:

Age UK

A free advice and resource service for older people.



0800 055 6112 (8am-7pm, everyday)



ageuk.org.uk

Hourglass

Hourglass confidential helpline provides information and support to anyone concerned about harm, abuse or exploitation of an older person.



0808 808 8141 (Mon-Fri, 9am-5pm)



wearehourglass.org

If the client wants help with debts or money matters:

Citizens Advice

Information, advice and support on lots of different topics, including debt, money matters, housing and benefits support across England, Wales, Scotland and Northern Ireland.



Adviceline England
0800 144 8848 (Mon-Fri, 9am-5pm)



Adviceline Wales
03444 77 20 20 (Mon-Fri, 9am-5pm)



citizensadvice.org.uk

Money Advice Service

Free and impartial money advice, set up by government.



0800 138 7777 (Mon-Fri, 8am-6pm)



Webchat (Sat, 8am-3pm)



Typetalk 18001 0800 915 4622



moneyadvice.service.org.uk/en

Credit Reference Agencies

You can receive a free credit report to understand more about your own credit rating and all the financial services/products held in your name.



equifax.co.uk



experian.co.uk



callcredit.co.uk

If the client is looking for legal advice

Law Centres Network

Centres which can offer free legal advice across the UK.



lawcentres.org.uk

If the client wants advice on housing or benefits

Department for Work and Pensions

Information on different benefits and what you need to apply. Also apply online.



gov.uk/browse/benefits

Shelter

A free information, advice service and helpline on housing and homelessness in England, Scotland, Wales and Northern Ireland.



0808 800 444



shelter.org.uk

Turn2Us

A website with information on benefits, charity, local authority grants and support services across England, Scotland, Wales and Northern Ireland.



turn2us.org.uk

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If one of your clients is experiencing economic abuse, they are not alone. SEA have information at survivingeconomicabuse.org that can support them to take steps towards safety and begin to regain control of their finances