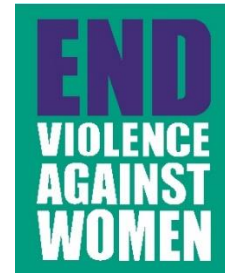
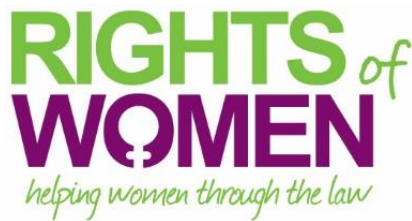


**Transforming the Response to Domestic Abuse:
Government Consultation**

Response from the National Working Group on Economic Abuse
(May 2018)



For women and children.
Against domestic violence.



Introduction

The National Working Group on Economic Abuse was convened by the charity Surviving Economic Abuse (SEA) in December 2017. The **aim** of the group is twofold:

1. To identify how economic abuse can be better addressed through policy and legislation; and
2. To close-down the ways in which perpetrators use statutory and legal systems to facilitate this form of abuse.

Members include the following groups:

Advance, Agenda, Beck Fitzgerald, Citizen's Advice, Domestic Abuse Housing Alliance (DAHA), End Violence Against Women (EVAW), GEMAP Scotland Ltd., Imkaan, Nia, Refuge, Rights of Women (ROW), Standing Together Against Domestic Violence (STADV), Solace Women's Aid, Surviving Economic Abuse (SEA), Suzy Lamplugh Trust and Women's Aid Federation of England (WAFE).

And individuals:

Jennifer Glinksi, Amanda Morgan, Hannana Siddiqui, Ravi Thiara and Cassandra Wiener.

The working group produced this joint consultation response to bring together the expertise of individual organisations in setting out the most pressing practical barriers faced by domestic abuse victims in escaping and recovering from economic abuse (Q35). We outline these below and put forward recommendations as to how these barriers can be overcome.

At the same time, we wish to highlight that economic abuse is also a feature of other forms of violence against women, including trafficking and prostitution. Some of the solutions we suggest are therefore relevant to addressing these harms too, highlighting the importance of taking an integrated approach to violence against women and girls.

Our over-arching recommendation is that:

Recommendation 1: The Commissioner proposed within the Domestic Abuse (DA) Bill should launch a national inquiry into economic abuse which considers all forms of violence against women.

The importance of addressing economic abuse

The National Working Group on Economic Abuse welcomes the proposed inclusion of economic abuse within the new statutory definition of domestic abuse. It is vital to address this form of abuse since access to economic resources shapes the ability of victims to seek help and to leave an abusive partner.

Analysis of the Adult Psychiatric Morbidity Survey (APMS) shows that 51 per cent of women with extensive experience of abuse are in poverty compared to a quarter (27 per cent) of women who have experienced little or no abuse in their lives.¹ This is *not* to suggest that poverty is a cause of abuse. Economic abuse can effect women regardless of their socio-economic status. However, abusers may *exploit* existing economic instability and/or *create* economic instability through behaviours that negatively impact women’s ability to acquire, use and maintain economic resources. Many women may also experience poverty as a consequence of fleeing abuse, leading to disrupted employment and having to set up a new household as a lone parent without their ex-partner’s income.²

Barriers to escaping and recovering from economic abuse

1. Access to an independent income

Access to an independent income is a major factor in preventing women from leaving an abusive partner and rebuilding their lives. Many women turn to the **welfare system** to provide financial assistance. Yet cuts to social security are having a disproportionate impact on women. Against a backdrop of women being twice as likely to be dependent on social security than men, 86 per cent of net savings through government cuts have come from women’s incomes.³ This is compounded for women who are located within intersecting inequalities such as race, class and immigration status.⁴ It is important that the Government’s response to economic abuse recognises this so that efforts to address economic abuse within the DA Bill are not unintentionally undermined through other policies.

Recommendation 2: Government must ensure that social security policies do not undermine women’s ability to escape an abusive relationship and more fundamentally that they do not undermine women’s rights to gender equality.

Recent reforms to the welfare system also have the potential to exacerbate economic abuse. The single payment made to joint claimants under **Universal Credit** makes it easier for abusers to control income.

Although it is possible to apply for a split payment in cases of domestic abuse, victims may not be able to do so. Claimants who are experiencing coercive control may be excluded from the online application process or may be monitored whilst using it, meaning that they do not have an opportunity to highlight their situation and access help. Moreover, it is dangerous for

¹ https://weareagenda.org/wp-content/uploads/2015/11/Joining-The-Dots-Report_Final_b_Exec-Summary.pdf

² Walby, S. and Allen, J. (2004)

³ Women’s Budget Group. (2016). The Impact on Women of the 2016 Budget: Women Paying for the Chancellor’s Tax Cut

⁴ Hall, S. M., McIntosh, K., Neitzert, E., Pottinger, L., Sandhu, K., Stephenson, M. A., Reed, H. and Taylor, L. (2017) *Intersecting inequalities: The impact of austerity on Black and Minority Ethnic women in the UK*

victims of domestic violence to request a split payment in the current system. Doing so would challenge the control of the abuser and could lead to an escalation of risk.

Recommendation 3: Joint claimants of Universal Credit should be offered separate payments as a default.

The group welcomes the Government's decision to reduce waiting times for Universal Credit, to ensure entitlement starts on the day of the claim and to provide greater support with advances. Yet, despite this, waiting times increase the risk of hardship, particularly women who have had to flee with nothing. In addition, the advances must be paid back over a 12-month period, impacting already limited resources. Survivors used to be able to access crisis loans and community care grants, but access to these is variable now that welfare provision within Local Authority Revenue Support Grants is not ring-fenced.

Recommendation 4: Local authorities should provide immediate emergency cash payments for women seeking to flee domestic abuse, so they have access to essential items.

Recommendation 5: Provisions in place for fast-tracking benefit payments to victims of domestic abuse MUST be used.

Recommendation 6: Women who have fled domestic abuse should be exempt from being required to repay a benefit advance.

Economic abuse may continue or start post-separation. Abusers commonly make **malicious allegations** of fraud to the Department for Work and Pensions (DWP) resulting in benefit payments being frozen whilst the allegation is investigated. This process enables the abuser to maintain control over their former partner and leaves women with no access to funds in the interim period.

Recommendation 7: Benefits should continue to be paid to a victim of domestic abuse whilst an allegation is investigated.

The operation of the **Domestic Violence Easement (DVE)** is narrow in scope and has some clear challenges that must be addressed. Survivors of domestic abuse generally want to keep their jobs or get back to work if they have had to leave employment or have lost jobs due the abuse. However, the trauma or domestic abuse and the upheaval for women who have to leave their homes often creates a huge barrier to employment. Victims of domestic abuse are exempt from work-related requirements for 13 weeks, providing the abuse took place in the previous 6 months and the victim has not made a claim for the easement in the past year. In addition, the victim is required to provide evidence of the abuse to a work coach at Jobcentre Plus.

Many survivors will not have had contact with the criminal justice system, making 'evidence' of abuse difficult to obtain, especially within the timeframe stipulated. Victims may leave s=an then return before leaving for good. In addition, thirteen weeks is too short a timeframe to recover from the abuse and trauma caused by domestic abuse and many women will not feel ready to return to work at this point.

Research shows that Jobcentre Plus staff have relatively low levels of awareness about the Easement⁵ and may not tell women about it.⁶

Recommendation 8: The 6-month limit for evidence to access the DVE should be removed in the same way as the time limit has been removed for accessing legal aid.

Recommendation 9: Expand the 13-week exemption under the Easement to 12 months in line with dual housing benefit policy.

Recommendation 10: Remove the requirement that victims can only use the Easement once in a 12-month period.

Recommendation 11: Ensure all JSA claimants are aware of the Domestic Violence Easement and are supported to access it.

Recommendation 12: Ensure that all Jobcentre Plus staff have training on domestic violence and know about the Easement.

Recommendation 13: Appoint an independent advocate for domestic violence victims within each Jobcentre Plus to act as a direct point of contact and help them navigate the system.⁷

Women are more likely than men to have caring responsibilities and be lone parents.⁸ They are also more likely to experience domestic abuse. An independent inquiry into women and Job Seekers Allowance (JSA) recognised that both factors affect their ability to work and engage with Jobcentre Plus in some of the ways that they are expected to and are, therefore, at increased risk of receiving a sanction.⁹

⁵ DWP (2013) Domestic Violence: Implementation of JSA DV Easement and DDV Concession – Small Scale Qualitative Research

⁶ Ariss, A., Firmin, C., Meacher, M., Starmer, K. and Urwin, R. (2015) Where's the Benefit? An Independent Inquiry into Women and Jobseeker's Allowance

⁷ A direct point of contact was suggested as a possible solution to problems with Universal Credit by the Chair of the Work and Pensions Committee during oral evidence on Universal Credit rollout, 18 April 2018

⁸ Ninety per cent of single parents are women: <https://www.gingerbread.org.uk/policy-campaigns/publications-index/statistics/>

⁹ Ariss, A., Firmin, C., Meacher, M., Starmer, K. and Urwin, R. (2015) Where's the Benefit? An Independent Inquiry into Women and Jobseeker's Allowance

Sections 13 and 14 of the Welfare Reform and Work Act (2016) limit entitlement to the child element of Child Tax Credit (CTC) and Universal Credit (UC) to a maximum of two children in each household. Known as the **two-child limit** or ‘family cap’ this new policy will exacerbate women’s and children’s poverty by reducing family income and is increasing barriers to escaping an abusive partner.¹⁰ The provision of social security for a third or subsequent child born following rape, forces women to disclose sexual violence at a time and in a context that is not of their choosing and is re-traumatising.¹¹ It does not recognise women whose partners stop them from exercising their reproductive rights through taking away their autonomy with respect to birth control.

Recommendation 14: The two-child limit and its exceptions must be repealed.

Finally, the safety net provided to victims of domestic abuse is not available to everyone. The **‘No Recourse to Public Funds’** (NRPF) Rule prevents women without indefinite leave to remain in the UK from accessing the resources they need to flee and access safety. Whilst the Destitute Domestic Violence (DDV) Concession provides support for women who are in the UK on a spousal visa it excludes women who are in the UK on other types of visa (for example, student and work visas) as well as women from the European Economic Area.

Recommendation 15: All women, regardless of immigration status, should have access to welfare benefits when fleeing domestic violence and other forms of violence against women and girls.

An independent income can also be accessed via **paid employment**. Unfortunately, however, undocumented migrants and asylum seekers have no right to work or have a bank account, narrowing their safety options still further.

In recognition of this, abusers commonly prevent women who can work from doing so. They may refuse to let their partner get a job or sabotage their existing employment. Alternatively, they may let their partner work but insist that their wages are paid into a joint bank account which only the abuser has access to.

The negative physical and psychological impact of domestic violence can also make it difficult for women to maintain employment. Those who flee to refuge accommodation may have to give up their job so that the abuser cannot find them. Constantly having to prepare for and attend court following may also have a negative impact on women’s ability to maintain employment. Action needs to be taken to help women maintain or (re) enter employment

¹⁰ Child Poverty Action Group. (2017). Two-Child Limit for Universal Credit: 200,000 more children put in poverty
¹¹ Engender (2017) Parliamentary Briefing: Child Tax Credit and Child Element of Universal Credit

and the group is supportive of the work undertaken by the Corporate Alliance Against Domestic Violence as well as the Employers' Initiative on Domestic Abuse in this regard.

At the same time, Government could develop specific policies in this area. For instance, almost a dozen states in the United States of America have passed laws requiring employers to provide domestic violence leave. Specific programmes to help women who have experienced domestic violence to get back into work are also needed.

Recommendation 16: Government should introduce a requirement for employers to provide leave to employees who have experienced domestic abuse.

Recommendation 17: Government should work with women's organisations to develop specific programmes that address the impact of domestic abuse on women's ability to access work.

More broadly, help needs to be provided around the costs of child care and to address structural discrimination which results in women being stuck in low paid jobs and on zero-hour contracts.

Yet another barrier to accessing independent income is the non-payment of **child maintenance** by the abusive parent. One study found that a quarter of abusers withheld maintenance payments from their children.¹² This made it virtually impossible for the non-abusive partner to budget and ensure that the children had access to the resources they needed. This included somewhere to live when maintenance is factored into rent/mortgage payments.

Abusers also use the Child Support Agency as a vehicle for controlling their partners financially by manipulating the system and the people who run it. In addition, despite the set-up fee for collecting payments being free in cases of domestic abuse, a four per cent charge is subsequently made for administering the payment, diverting much needed support away from the child(ren).

Recommendation 18: Child Support Agency to scrap the four per cent collection fee for children maintenance in cases of domestic abuse.

2. Access to housing

Housing is an important economic resource for women seeking to rebuild their lives after domestic abuse. Research shows that women need to 'be settled' before they can think about

¹² Kelly, L., Sharp-Jeffs, N. & Klein, R. (2014) Finding the Costs of Freedom: How women and children rebuild their lives after domestic violence

growing supportive networks, addressing health concerns and taking steps to (re)enter education and the workplace.¹³ However, many perpetrators of domestic abuse remain in the family home whilst survivors and their children are forced to move frequently between temporary and often unsuitable housing, resulting in negative physical, psychological and economic impacts.¹⁴ Ironically, often the lack of suitable living accommodation is then cited by the abusive parent in applications for child residence which can negatively impact on the non-abusive parent's contact case.

Changes to housing regulations, housing benefit and the shortage of accommodation mean that there is no secure and consistent pathway for women fleeing domestic abuse. The National Housing Domestic Abuse Policy and Practice Group has put forward a 'whole housing approach' to address this, recognising the range of advice and options required to safely address domestic abuse in any area.

Recommendation 19: Government should consider and analyse access to the 'whole housing' approach to domestic abuse set out within the consultation response submitted by the National Housing and Domestic Abuse Policy and Practice Group.

Recommendation 20: Survivors of domestic abuse should have an automatic right to permanent social housing.

Victims often lack the financial resources required to pay deposits for private rented accommodation. In addition, women who have experienced economic abuse face specific challenges linked to rent arrears and poor credit ratings. Women may be at risk of losing privately owned homes if the perpetrator stops paying the mortgage/refuses to sign related paperwork or seeks to re-mortgage/sell properties without women's knowledge. 'Non-traditional' stakeholders such as banks and building societies, estate agents and chartered surveyors need to understand the dynamics of domestic violence and take actions to ensure that they do not inadvertently facilitate abuse through their systems.

UK Finance is introducing a code of conduct to guide the response of banks and building societies when they respond to domestic abuse, including financial abuse. This is a positive development, but the group is concerned that there remains scope for inconsistency with cases responded to on a case-by-case basis. As such there will need to be analysis of the code's impact.

Recommendation 21: The Government should introduce a duty of care for financial service providers to exercise towards vulnerable customers.

¹³ Kelly, L., Sharp-Jeffs, N. & Klein, R. (2014)

¹⁴ Solace Women's Aid (2016) The Price of Safety: How the housing system is failing women and children fleeing domestic abuse

Recommendation 22: Training on domestic abuse must be delivered to ‘non-traditional’ stakeholders such as banks and building societies.

Recommendation 23: Banks and building societies should be required to undertake a review of their policies and processes to ensure that they do not facilitate abuse.

Navigating the housing and financial services systems is challenging and women need good advocacy to help them to do so effectively and safely.¹⁵

Recommendation 24: Additional resources are needed to ensure that specialist advice is readily available for women to address immediate and long term financial safety and security.

3. Starting again

Fleeing domestic abuse requires many women to rebuild their lives from scratch, sometimes on multiple occasions. As noted above, Local Authority Revenue Support Grants have an amount identified for welfare provision, however this is not ring-fenced, so there is no guarantee survivors fleeing abuse will be able to access it. Furthermore, short-term advance payments have narrow criteria meaning that access to the funds required to re-equip new homes is a challenge faced by many women.¹⁶ This increases the risk that they might return to the perpetrator, get into serious debt by turning to pay day loans or be sexually exploited by men who seek to take advantage of their situation (i.e. sex for rent, pay off debt). Women are often reliant on ‘hand-outs’ from the local voluntary sector.

Successive inquiries/studies have recommended that local authorities and central Government need to consider introducing some form of specific financial support for those who have experienced domestic violence and assist with their resettlement.¹⁷ Expanding on this and taking into consideration the challenges already outlined in relation to housing, the group recommends that a ‘**compensation package**’ should be provided to survivors of domestic abuse so that they are not penalised for seeking safety. This should include the cost of new school uniforms and money to pay for private counselling when waiting lists exist. Further analysis could be undertaken to ascertain all the core costs that would need to be covered.

Recommendation 25: Local authorities and central Government to develop, alongside the specialist domestic abuse sector, a ‘compensation package’ for survivors of domestic abuse.

¹⁵ Kelly, L., Sharp-Jeffs, N. & Klein, R. (2014)

¹⁶ Bell, K. & Kober, C. (2008) The Financial Impact of Domestic Violence

¹⁷ Bell, K. & Kober, C. (2008); Sharp, N. (2008) What’s yours is mine: The different forms of economic abuse and its impact on women and children experiencing domestic violence; Home Affairs Committee (2008) Domestic Violence, Forced Marriage and “Honour”-Based Violence

Insurers also need to be engaged in conversations around helping women to rebuild their lives. Again, it is not uncommon for perpetrators of economic abuse to set up insurance policies solely in their names or to fail to pay insurance premiums, thereby invalidating policies. This means that women are unable to claim on insurance policies if the perpetrator destroys their property or burns down their home, as in the case of Claire Throssell.¹⁸

Recommendation 26: The Government should engage insurers in discussions on how survivors of domestic abuse can be supported to rebuild their lives.

International best practice can also be adopted to minimise the negative economic impact of fleeing and having to start again. For instance, in Queensland, Australia, a company is providing free moves and storage for survivors of economic abuse.¹⁹ Similarly, Australia Post offers 12 month's free mail redirection for victims of domestic abuse.

Recommendation 27: The Government should engage with businesses and stakeholders such as Royal Mail to explore how the economic costs of fleeing domestic abuse can be mitigated.

Such initiatives could build on the work that Government is doing with employers (see section on access to independent income above) and show real leadership in this area by providing practical measures that will not have any costs for Government but will make a big impact for survivors.

4. Dealing with debt and repairing credit

Women may end up in debt because of fleeing domestic abuse, using credit for accommodation and to buy what they need to set up a new household. In addition, they may be in debt because the abuser fraudulently took out debt in their name or coerced them into doing so. Migrant women may be told to sign documents that they do not understand.

Research in the UK suggests that coerced debt is a common problem. In a national prevalence study undertaken by the Cooperative Bank and Refuge, one in ten women stated that a partner had put debts in their name and that they had been afraid to say no.²⁰ Unsurprisingly, research undertaken with survivors of intimate partner violence shows higher levels of prevalence. A survey undertaken by Women's Aid and the Trade Union Congress (TUC) found that one in five respondents reported loans being taken out in their name and over half said

¹⁸ See <https://eargorgau.files.wordpress.com/2017/04/insurance-and-family-violence.pdf>

¹⁹ <https://mashable.com/2016/03/10/a-storage-company-is-giving-free-moves-to-domestic-violence-victims-in-australia/#ALvOOSpA28qT>

²⁰ Sharp-Jeffs, N. (2015) Money Matters. Research into the Extent and Nature of Financial Abuse Within Intimate Partner Relationships in the UK London: Refuge and The Cooperative Bank

the abuser had built up bad debts in their name.²¹ Women who report coerced debt are likely to stay in relationships for longer than they want to due to financial concerns²² and we know of numerous cases where survivors are left paying off debts that perpetrators have taken out in their name for years after they have escaped the relationship. Coerced debt is therefore an economic barrier to leaving an abusive partner. It also makes the process of rebuilding lives challenging.

With funding from the Department for Digital, Culture, Media and Sport (DCMS) Surviving Economic Abuse is exploring whether consumer law can be used to challenge debts that are coerced. The working group believes that the new Bill provides an opportunity to explore whether other remedies can be identified. In Australia, for example, banks will investigate circumstances where a co-borrower or guarantor may have been coerced into the credit obligation, and the victim has received limited or no benefit from the credit. They can then decide to settle a claim for the whole or part of a debt against the borrower impacted by family and domestic violence. This can have the effect of severing or apportioning the loan, so the co-borrower pays only a portion (including no payment if appropriate) of the debt in return for a release from the whole of the debt.²³ Such an approach ensures that accountability sits with the abuser.

Recommendation 28: The Government should work with UK Finance and experts in economic abuse to explore remedies to coerced debt.

A related issue is that of poor **credit ratings** arising from economic abuse, including coerced debt. As explored above, this can have a negative impact on the ability of a survivor to access rental accommodation. In the US, an academic is proposing that the Fair Credit Reporting Act is amended to allow victims of coerced debt to repair their credit reports. The proposal would enable family courts to rule on whether alleged coerced debt is, in fact, coerced. The victim could then submit the court's certification to the credit reporting agencies, which would block the coerced debt from her credit report.²⁴

Recommendation 29: The Government should work with credit agencies to explore how poor credit histories can be restored in cases of domestic abuse.

Abusers may also insist that utility bills are placed in the name of their partner and may not change this arrangement when their partner leaves. In fact, some abusers deliberately

²¹ Howard, M. and Skipp, A. (2015) Unequal, Trapped and Controlled: Women's experience of financial abuse and potential implications for Universal Credit. London: Women's Aid and Trade Union Congress

²² Adams & Littwin, 2018 – forthcoming

²³ https://www.ausbanking.org.au/images/uploads/ArticleDocuments/207/ABA_Industry_Guideline_-_Financial_Abuse_and_Family_and_Domestic_Violence%20Nov%202016.pdf

²⁴ Littwin, A. (2013) Escaping Battered Credit: A proposal for repairing credit reports damaged by domestic violence

increase their use of the phone/electricity/gas to increase the debt their partner is left with.²⁵ This can cause difficulties when a victim seeks to set up utilities in their new home. At the same time, some utility companies provide grants that can be used to clear debts in these scenarios, suggesting that there is good practice to be learned from them.

Recommendation 30: The Government should work with utility companies to explore best practice in relation to responding to debt caused by domestic abuse.

Surviving Economic Abuse has produced a scoping report of responses to economic abuse, including consumer issues (i.e. debt) across three London Boroughs.²⁶ This has highlighted the role that the women's sector can play in providing money advice and promoting economic inclusion and capability as part of longer term support. Such work is vital to addressing the connections between economic instability and violence.

Recommendation 31: The Government should ensure that the National Statement of Expectations on violence against women and girls services identifies the need for economic advocacy.

5. Access to justice

Some crimes are linked directly to economic abuse. These include non-payment of council tax or TV licenses, benefit fraud, begging and shop-lifting. In some cases, this may lead women to be imprisoned. The Group is pleased that discussions are taking place between women's organisations and criminal justice organisations about the need to make the links between domestic abuse and offending explicit and to address these within Crown Prosecution Service (CPS) policy and sentencing guidelines. Going to prison will, of course, have a negative economic impact in and of itself, making it difficult for women to seek employment going forwards.

In the **civil court system**, changes to the Legal Aid system have made the cost of accessing it prohibitive for many women. This means that they struggle to secure legal representation and may be forced to navigate the civil courts as a litigant in person,²⁷ particularly in the family courts where one study found that 25 per cent of domestic abuse survivors had been cross examined by the perpetrator. Some women are denied Legal Aid, even though they have evidence of domestic abuse, because they appear to have their own assets or savings so are not assessed as eligible through the means test. However, these are often under the control of the abuser, meaning that they do not have access to them.

²⁵ Sharp, N. (2008)

²⁶ Sharp-Jeffs, N. (2017) Responding to coerced debt: consumer advocacy for survivors of economic abuse. A scoping report of activity in the London Borough of Hammersmith and Fulham, the Royal Borough of Kensington and Chelsea and the City of Westminster. Surviving Economic Abuse.

²⁷ <https://1q7dqy2unor827bqjls0c4rn-wpengine.netdna-ssl.com/wp-content/uploads/2015/11/APPG-Inquiry-report-domestic-abuse-child-contact-and-the-family-courts.pdf>

Recommendation 32: There should be an automatic right to Legal Aid in cases of domestic abuse. The areas of law currently excluded from Legal Aid should also be brought into scope for victims of domestic abuse.

Recommendation 33: In cases of domestic abuse, access to legal aid should stand on merit alone and not be means tested. In addition, users should not be required to pay contributions.

A linked issue is the practice of abusers using the family and civil courts as a vehicle through which to continue exerting power over their ex-partner, including financial power. Whilst victims may have no choice but to represent themselves, the abuser may appoint an expensive barrister. The abuser may frustrate proceedings so that the victim must go to court on numerous occasions, thereby increasing financial costs or appealing to change contact orders on multiple occasions so all parties need to go back to court. Constantly having to prepare for and attend court can also have a negative impact on their ability to maintain work (see section one above on access to independent income and employment).

Recommendation 34: A judicial training programme on domestic abuse is required which addresses how perpetrators use the courts to facilitate abuse.

Recommendation 35: Judges need to address the use of vexatious complaints and recognise civil proceeding orders as evidence of domestic abuse, coercive and controlling behaviour, and stalking.