

Financial abuse as a form of intimate partner violence

The role of financial services

Financial abuse as a form of intimate partner violence

Financial abuse is a common form of intimate partner violence with evidence showing that 50% of survivors residing in shelters in Canada have experienced financial abuse (Statistics Canada, 2019). Financial abuse can involve restricting access to household income and benefits, withholding financial information, monitoring spending, excluding a partner from important financial decisions, and building up debt in their name. While financial abuse refers to controlling behaviours in relation to money, economic abuse refers to the control, exploitation and sabotage of money as well as other economic resources, such as food, employment, education and property (Adams et al., 2008).

Financial and economic abuse is known as a form of coercive control. The controlling behaviour is used by the abuser to make the survivor dependent on them through isolation, intimidation and depriving them of any financial independence. Financial abuse commonly happens alongside other forms of abuse, including emotional and physical abuse (Docherty et al., 2019).

Financial abuse can be difficult to identify because of the gendered roles and norms related to money management within a

household. Financial abuse can appear to be normal financial arrangements or disagreements between partners. The taboo surrounding discussing personal and household finances can make it difficult for those outside of the home to identify financial abuse. Research has shown that financial abuse can continue even after separation (Docherty et al., 2019). Survivors can experience this in different ways including an ex-partner using the court system to continue to force the survivor to face them in court, a process that is costly. Spousal and child support is another way for an ex-partner to maintain some control over finances. Financial abuse has many impacts on women, including long-term impacts on their economic security. The consequences of financial abuse, such as coerced debt, a poor credit rating and a lack of access to money, are key barriers to survivors leaving an abusive situation (Sharp-Jeffs, 2015).

The role of financial services

Survivors of gender-based violence experience better outcomes when a multi-agency and holistic approach to their risk assessment, safety planning and support is adopted. A coordinated multi-agency response to domestic violence has the potential to help survivors receive multiple services without putting too

much pressure on the victim to find and navigate the services available (Shorey, Tirone and Stuart, 2014). Historically, a multi-agency response to domestic violence has included justice partners and agencies providing support to victims. However, with a recognition of the connection between abuse and housing, employment, and finances, the notion of a multi-agency response has expanded to include other sectors (Johnson and Stylianou, 2020).

With more than 99% of Canadians having a bank account (Canadian Bankers Association, 2021), financial services are in a good position to identify, prevent and respond to the economic dynamics of intimate partner violence. Research has shown that financial abuse can include restricting access to income, taking the survivors' bank card, withholding online banking passwords, and destroying documentation required by women to open bank accounts. Survivors also reported that debt and a poor credit rating was a common experience. In some cases, this led to survivors claiming

bankruptcy as well as turning to payday loans. Studies have shown that staff working in banks require greater training on identifying and responding to financial abuse and that banks would benefit from partnerships with community agencies for increasing capacity and facilitating referrals (Docherty et al., 2019).

Financial services have an opportunity to identify and intervene to support survivors of financial abuse in various capacities. Financial services can consider economic abuse in addition to gender norms in the design and development of financial products to ensure that they are promoting women's economic security and independence. Products and services can also consider the unique nature of financial abuse and the role of technology-facilitated violence.

Financial services can create policies and processes that equip employees to identify and respond if they recognize signs of economic abuse among customers. They can also develop products and responses that support

Responding to domestic violence in the workplace

Developing employer strategies to prevent and respond to domestic violence in the workplace can also help increase awareness across the organization and support employees experiencing intimate partner violence. Intimate partner violence often extends outside of the home and when it does, it often spills into the workplace. A Canadian survey on domestic violence and workplaces found that one third of employees in workplaces had experienced domestic violence. The study also found that 35% of respondents were aware of a colleague who was experiencing or had experienced domestic violence and 71% of employers reported having to intervene or handle a case relating to domestic violence (Wathen, MacGregor and MacQuarrie, 2014). Likewise to customer-focused strategies, workplace strategies that are effective in preventing and responding to domestic violence include specific policies, and processes to connect employees to supports (Adhia et al., 2019). Financial services can implement workplaces policies and practices that support employees experiencing domestic violence, with consideration of economic abuse.

survivors to leave violence and re-establish safety by resolving issues related to coerced debt, while supporting survivors to build their financial wellbeing.

A robust and effective response from financial services does require capacity, including training for employees on financial abuse as a form of intimate partner violence and on the policies and processes to identify and respond to it. An increase in awareness will help build a culture in which economic abuse is considered in the day-to-day practices of financial services employees (Portas and Sharp-Jeffs, 2021).

While a lot of the research base has been focused on banks, there is also a need to consider other financially-related systems and institutions that survivors interact with, including social assistance programs, child and spousal support orders, and insurance companies.

Code of Practices

In some jurisdictions, practice guidelines have been developed to help bring awareness to financial abuse for financial services as well as promote a standard of practice that is consistent across financial services.

UK Finance Financial Abuse Code of Practice

In 2018, Members of UK Finance and Building Societies Association committed to improving supports for customers in vulnerable circumstances, including support for victims of financial abuse. UK Finance worked with community agencies to develop a voluntary Financial Abuse

Code of Practice. The purpose of the Code is to build the capacity of financial services to identify financial abuse and improve consistency of supports available across financial services. The Code has been adopted by 19 financial services companies, including the largest banks in the United Kingdom (UK Finance, 2019).

Australian Banking Association Financial Abuse Industry Guideline

In 2021, the Australian Banking Association developed guidelines on financial abuse a form of domestic or family violence. The guidelines compliment broader industry guidelines on family violence and elder financial abuse. Building on their Preventing and Responding to Family and Domestic Violence guidelines, the financial abuse specific guidelines speak to the importance of specialized training for staff, guidance on reporting to authorities and assisting survivors of financial abuse to help regain their financial control. The new guidelines are to be implemented by members of the Australian Banking Association within 12 months (Australian Banking Association, 2021).

Promising practices for financial services

- Raise awareness of financial abuse as a form of intimate partner violence among employees;
- Raise awareness of financial abuse as a form of intimate partner violence among customers;
- Train employees on financial abuse a form of intimate partner violence;
- Provide information on services related to financial abuse available for customers;
- Gather data and information on experiences of financial abuse;
- Adopt policies and processes to assist employees in identifying and responding to financial abuse;
- Design products and services that consider economic abuse and technology-facilitated violence;
- Develop specialized services and products that respond to the unique financial challenges faced by survivors and that help to rebuild survivors' financial wellbeing;
- Develop products and processes that promote women's economic security and independence;
- Form partnerships with community agencies serving survivors of gender-based violence;
- Engage with survivors to help inform services and products.

Other opportunities for financial services to support efforts that prevent and respond to financial abuse as a form of intimate partner violence

Raise public awareness of financial abuse

With a large and diverse audience, financial services can raise awareness of financial abuse and challenge gender norms related to money through campaigns, information and practice.

Increase understanding of financial abuse

With access to a significant amount of insights and data on financial behaviours and patterns, financial services could help increase the understanding of economic abuse among different populations. This data could help inform strategies that prevent financial abuse and help survivors build their economic security.

Promising practice	UK Finance Code of Practice	Australian Banking Association Financial Abuse Guideline
Raise awareness of financial abuse among employees	✓	✓
Raise awareness of financial abuse among customers		
Train employees on financial abuse as a form of intimate partner violence	✓	✓
Gather data and information on experiences of financial abuse		
Design products that consider economic abuse and technology-facilitated violence		✓
Adopt policies and processes to assist employees in identifying and responding to financial abuse	✓	✓
Develop products that promote women's economic security and independence		
Create services and products that respond to the unique financial challenges faced by survivors and that help rebuild survivors' financial wellbeing	✓	✓
Form partnerships with community agencies serving survivors of gender-based violence	✓	✓
Provide information on services related to financial abuse available for customers	✓	✓
Engage with survivors to help inform services and products		

- Adams, A. E., Sullivan, C. M., Bybee, D. and Greeson, M. R. (2008) Development of the Scale of Economic Abuse. *Violence Against Women* 14(5): 563-587.
- Adhia, A., Gelaye, B., Friedman, L.E, Marlow, L.Y., Mercy, J.A and Williams, M.A. (2019) Workplace interventions for intimate partner violence: A systematic review, *Journal of Workplace Behavioral Health*, 34(03), 149-166.
- Australian Banking Association (2021). Financial Abuse Industry Guidelines. <https://www.ausbanking.org.au/financial-abuse-industry-guideline/>
- Canadian Bankers Association (2021) Focus: Banks and Consumers. <https://cba.ca/banks-and-consumers>
- Docherty, L., Zawitkoawski, S., Wilson, B., and Currie, E. (2019) "Hidden in the Everyday" Financial abuse as a form of intimate partner violence in the Toronto area. https://womanact.ca/wpcontent/uploads/2020/11/WomanACT_Hidden-in-the-everyday_Financial-Abuse-Report.pdf
- Johnson, L. and Stylianou, A.M. (2020). Coordinated Community Responses to Domestic Violence: A Systematic Review of Literature. *Trauma, Violence & Abuse*, 1(17), 1-17.
- Portas, J. and Sharp-Jeffs, N. (2021). "The Economic Abuse Threat facing Girls and Women in the UK: 6 Moments that Matter in the lives of Female Survivors. A Person-led Approach for the Financial Services Sector in Empowering and Supporting Customers and Employees. 6 Moments that Matter.
- Sharp-Jeffs, N. (2015) A Review of Policy and Research Literature on Financial Abuse in the Context of Intimate Partner Violence. Child and Woman Abuse Studies Unit, London Metropolitan University.
- Shorey, R. C., Tirone, V., & Stuart, G. L. (2014). Coordinated community response components for victims of intimate partner violence: A review of the literature. *Aggression and Violent Behavior*, 19(4), 363–371.
- Statistics Canada. (2019) Canadian residential facilities for victims of abuse, 2017/2018. <https://www150.statcan.gc.ca/n1/en/pub/85-002-x/2019001/article/00007-eng.pdf?st=SKone9ir>
- UK Finance (2019). Financial Abuse Code of Practice. <https://www.ukfinance.org.uk/financial-abuse-code-practice>.
- Wathen, C. N., MacGregor, J. C. D., MacQuarrie, B. J. (2014). Can Work be Safe, When Home Isn't? Initial Findings of a Pan-Canadian Survey on Domestic Violence and the Workplace. London, ON: CREVAWC