

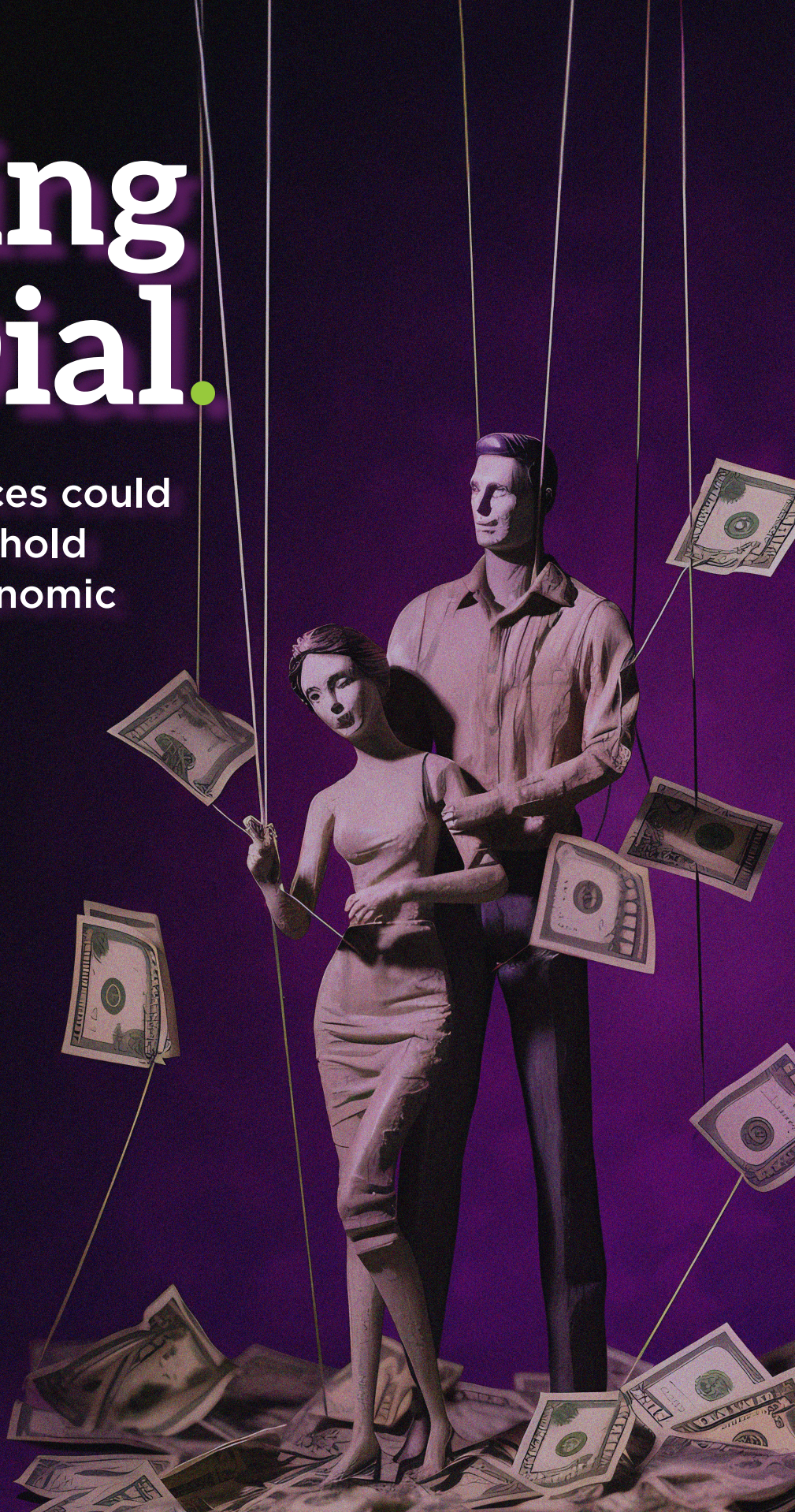
Shifting the Dial.

How financial services could detect, disrupt and hold perpetrators of economic abuse to account.

Maria Garner and Liz Kelly

(CWASU, London Metropolitan University)

October 2023



SURVIVING
ECONOMIC
ABUSE

CHILD & WOMAN
ABUSE STUDIES UNIT

 LONDON
METROPOLITAN
UNIVERSITY

 **Durham**
University
Centre for Research into
Violence and Abuse

Contents

Chapter 1: Introduction and research methods	2
Chapter 2: Findings	4
Firm foundations: awareness and understandings	4
Responses, procedures and support	6
Shifting the dial: perpetrators	9
Reflections	13
Chapter 3: Conclusions and recommendations	15
Recommendations	16
References	18

CHAPTER 1:

Introduction And Research Methods¹

That started to change in the UK with the ground-breaking work on economic abuse by the Child and Woman Abuse Studies Unit in the mid 2010s (see Sharp-Jeffs, 2015a; Sharp-Jeffs, 2015b). This led in 2017 to the establishing of Surviving Economic Abuse (SEA) a charity which aims to both raise awareness of economic abuse and transform responses to it.

Earlier, the Child and Woman Abuse Studies Unit at London Metropolitan University with Durham University Centre for Research into Violence and Abuse produced a study into the effectiveness of domestic violence perpetrator programmes (known as Project Mirabal – see Kelly and Westmarland, 2015). Project Mirabal, found that exactly half of the participants reported that their partner ‘tries to use money/finances to control me’ before their partner attended a perpetrator behaviour change programme. At the end of the study - 15 months later - this figure had fallen only marginally, remaining at 47%. This finding was in stark contrast to many others which showed a greater reduction in other forms of violent and abusive behaviour. This finding, combined with that from Finding the Costs of Freedom (Kelly, Sharp-Jeffs & Klein, 2014) that economic abuse persisted, and even increased post-separation suggested that specific interventions were needed in relation to both victim-survivors and perpetrators.

To varying degrees economic abuse is now a recognised issue for policy, practice and research agendas, both inside and outside of the finance sector. As providers of everyday financial products, the sector has an unrivalled ability to reach and support those impacted by economic abuse (SEA, 2020). This is acknowledged by the sector and reflected in the 2018 UK Finance’s Financial Abuse Code of Practice. The code was refreshed in 2021 to align both with legislative and regulatory developments including the Domestic Abuse

Act 2021, which legally recognised economic abuse and the Financial Conduct Authority’s (FCA) Guidance on the Fair Treatment of Vulnerable Customers (2021). For the first time in May 2022 the FCA included a specific question on EA in their bi-annual consumer survey which aids them in tracking and monitoring consumer experiences, helping the regulator to identify harm and respond to it. The survey found the proportion of adults who reported that they had experienced financial abuse in the last five years to be 4.1%, equating to 2.2 million adults: 0.2million of those, also reported that while they had tried to explain the financial abuse to a financial services organisation, the organisation was not understanding of their situation (FCA, 2023). The work of SEA seeks to meet this gap, to increase understandings and improve responses to EA from the sector.

Industry practice and responses to EA are developing in terms of support and provision for victims-survivors, yet relatively little attention to date has been given to perpetrator focused actions. Neither the UK Code nor the FCA guidance say anything specific on perpetrators, and there is a limited knowledge base on this issue. So, the question of what could/is being done to disrupt, detect and hold perpetrators to account is an open one. This study was commissioned by Surviving Economic Abuse to begin addressing this, to explore whether and how the finance sector could shift the dial in their work on economic abuse to focus on perpetrators.

Project Mirabal, found that exactly half of the participants reported that their partner ‘tries to use money / finances to control me’ before their partner attended a perpetrator behaviour change programme.

For SEA this study aligns with their focus on narrowing the spaces and opportunities perpetrators have to enact economic abuse. This can be preventative in so far as new policies and practices can close down spaces and create a form of early intervention if practices are detected and interrupted. Both would benefit victim-survivors but also have the potential to benefit the finance sector in terms of less debt write offs and lower casework demands for customer service staff. Focussing on perpetrators could also enable firms to prevent the often criminal mis-use of their products and services.

Nine professionals working as part of vulnerable customer teams or on fintech and business development were interviewed across banks, building societies, and mortgage lenders. In addition, a focus group of 14 professionals from the finance and associated sectors was undertaken. Our discussions explored: awareness and understandings of EA within organisations; current practices and methods to identify and respond to economic abuse; how perpetrators of economic abuse could be identified, including through technology; how the sector could focus more on perpetrators in their responses to EA; how financial technology (Fintech) could be part of perpetrator focused responses. We used content analysis to identify the core themes across the dataset, and all participating individuals and organisations have been anonymised.

Chapter Two provides the findings from the interviews and focus group with financial institutions, Chapter Three draws some conclusions and presents recommendations.

Nine professionals working as part of vulnerable customer teams or on fintech and business development were interviewed across banks, building societies, and mortgage lenders.



¹This report is part of a wider collaborative project between Surviving Economic Abuse, the Child and Woman Abuse Studies Unit (CWASU) at London Metropolitan University and the Durham University Centre for Research into Violence and Abuse (CRIVA). There may be some overlap in the introductions, research methods and recommendations.

CHAPTER 2:

Findings

Findings are presented through the themes identified in the interviews and focus group.

Firm foundations: Awareness and understandings

Economic abuse is firmly on the radar of financial institutions, all participants had knowledge and understandings of it which translated into workstreams and for some dedicated teams. This work is shaped by the FCA guidance and as a consequence is located within vulnerability and customer support teams. There are strong links between levels of awareness, commitment and provision and whether or not organisations have been trained by, or worked in some capacity with, Surviving Economic Abuse (SEA) or other DV organisations. One organisation had, for example, worked very closely with SEA and others, evidenced in how far their work in the area had developed, as well as how well they understood the issues.

This partnership work was enabled by a pre-existing organisational commitment to the issue, which was seen as vital.

We've had a strategy in place that's evolved since mid-2015, and way back in 2017, 2018, domestic abuse or economic abuse became a priority theme for us... so we proactively looked to push the topic and awareness of the topic for colleagues and customers since then... we have a strategy which is an acknowledge, respond, refer approach. The first part of that in that acknowledge was all about raising awareness, understanding what it is, understanding our role and, importantly, where does our role stop so that we don't inadvertently cause more risk or harm by thinking we're solving something (Participant 1).

Awareness of EA across different levels of the organisation was considered key to successful work in the area, with senior level commitment being particularly important, and for some had had bearing on how far EA work streams had developed.

... it's all about raising awareness and training, if the people higher up haven't got the training, knowledge or experience, it's not going to happen (Participant 2).

We had a director the other day that just said "I get it". And I think it was because until it was real, and also when they could hear real life experiences and examples that made the difference over a percentage (Participant 4).

We had a coercive debt review, so a reasonably sized work-stream kick off about a year, the start of 2021, and that came directly because our CEO asked the question around what are we as an organisation doing about coercive debt and economic abuse (Participant 1).

There was consensus that there were fair levels of awareness amongst front line customer facing staff, with many organisations having delivered or facilitated training and developed guidance and resources for staff, but some identified deficits at mid-levels of organisations.

I think there is a real challenge around mid-levels of the organisation designing products and propositions with consideration given to people with any type of vulnerability, really, I think we could do much better there. And that includes in that bucket, things like economic abuse and coerced debt, do we consider that in the way we design products, do we think about it when we roll propositions out? We can do more. We could definitely do more in that space (Participant 3).

I think on the frontline we're pretty strong, I think in the middle there is more we could do and the reason for that is I think because of competing priorities (Participant 4).

Varying degrees of development on EA work were visible, from some organisations having dedicated teams or individuals focused specifically on EA within vulnerability teams, to the issue being located within vulnerability work streams more broadly. One strategy to raise awareness was to work from the inside out by recognising broad impacts of economic abuse and breaking down perceived barriers between customers and colleagues as potential victims of it. This was described as a powerful and successful route to gaining organisational commitment and support for the issue.

... we realised actually there was a huge amount of work we needed to do for colleagues as well as customers because it was probably one of the first times we'd really gone, we can't ask a colleague to sit in front of a customer, explain to them what something is and how they might help, when they could be going through that very thing themselves and we have no support for them (Participant 1).

... we were like, but no one ever mentions it, no one ever raises it. It was kind of like, it's out there, and it was like, well it can't [just] be out there, we must reflect our community (Participant 5).

The size and position of the organisation within the broader landscape of the sector also shaped how far awareness on EA had been translated into work. With larger older organisations having a longer history with and more developed workstreams and activity on EA. This however did not underscore levels of commitment, with smaller, younger organisations holding a unique position of embedding EA as a priority early on.

... the information is there, we've got a fantastic part on our website, we've got a focus point... it's almost like a carousel if you like of abuse information for every scenario that we come across so that people can be guided on what sort of steps to take (Participant 1).

That some had established teams or allocated responsibility to individuals within vulnerability teams to work specifically on EA, meant that they could serve as a central port of support to colleagues on the issue.

This work is shaped by the FCA guidance and as a consequence is located within vulnerability and customer support teams.



CHAPTER 2:

Findings *(continued)***Firm foundations**

... it's about acknowledgement of what's happened and helping them manage it (Participant 6).

The finance sector's roles and responsibilities in addressing EA currently fall under the remit of their duty of care for vulnerable customers. FCA guidance stipulates that firms must understand what harms their customers are likely to be vulnerable to and to ensure that: 'customers in vulnerable circumstances can receive the same fair treatment and outcomes as other customers'. UK Finance's voluntary Code, offers a specific set of pillars and principles, but currently it is not mandatory. These documents underscore how organisations respond to economic abuse. All of the organisations we spoke to had existing work streams, and responses, which were described less as policies and more as procedures and guidance.

We don't have set policies, but more procedures that are interpreted through the financial code of conduct and also the FCA... we've got the ability to reflect, look at what this Code of Practice means to us and how we can use that to help our customers (Participant 7).

... it's not necessarily a written policy, but we have a process that they should follow and if they're only doing half of it, that's my job and my team's job to recognise that, coach, train, make sure it doesn't happen again (Participant 4).

... when we talk about vulnerability, we think about it from a Financial Conduct Authority definition... And within that we do a fair bit of work from a strategy perspective around coerced debt and what that looks like and how we can respond to it better from a process perspective internally (Participant 1).

Responses to EA range from signposting victim-survivors to external support services to in some cases supporting customers to write off coerced debt. Identifying EA is a central challenge, and many described the process, which relies on looking for conversational and transactional triggers as trying to 'look for a needle in a haystack'.

We focus on conversational triggers... every time that we speak to a customer we do a full review of the account based on conversational and transactional... we're looking out for things like if somebody's wage comes in and it's all going to another account and they're just drip feeding that money back in to the account, that suggests that somebody else has control over that customer. We have policies around if a customer struggles to answer their own security questions, this happens a lot! So, struggles to answer their own security question so they have somebody there helping them, right? And this answer is probably very fluffy because I can't give you like direct, "This is how we spot economic abuse" because economic abuse is so broad and there's so much to it that we can't have a set policy (Participant 3).

... if you imagine the volume of transactions we have, somebody who has not got as much freedom with their finances or has to do their finances in a way that they wouldn't do otherwise, is a needle in a haystack and looks completely different in every scenario, so how do you find it, until someone discloses to you and then you're trying to help put things back together rather than stop it (Participant 8).

'Trying to help put things back together rather than trying to stop it', means that organisational approaches are often reactive and orientated around situations where customers have disclosed abuse, or approaches, which seek to enable customers to disclose. A focus in workstreams and activities for example, included providing safe and confidential ways for customers to disclose, which reflected good knowledge and understandings of domestic violence.

... on the back of all of our ATM receipts there's information about where you can get help, so it's generic so you weren't at risk because we weren't picking on you, but perhaps a slightly unobtrusive way of us helping get the message out to people (Participant 3).

For those who had strong relationships with the DA sector, and longer histories with the issue, their work had advanced, from initially signposting support to proactively building in house support mechanisms.

Beyond reactive support, there were a number of practical measures which organisations had developed, or were in the process of developing, which reflect a commitment and will to being agile with systems and procedures whilst also sensitive and knowledgeable



Responses to EA range from signposting victim-survivors to external support services to in some cases supporting customers to write off coerced debt.

about the needs of victim-survivors. For example, revisions and adaptations to products and processes are made including making it easier to remove someone from a joint bank account ('joint to sole'); support flags on accounts to avoid customers having to repeat their situation to multiple personnel; and basic accounts for customers who have or are fleeing domestic abuse.

We've changed our Ts and Cs so we can take you off an account if we think there's abuse on one signature. We open accounts without standard ID and V, so we recognise that you may have unfortunately had to flee, so we have a variety of different things we can accept, including certain charity introduction letters, things like that. We accept PO Box addresses if you're in a refuge for your address, until you can get yourself to a place where you're comfortable. We load an additional, what we would call a support need, so if

you disclose, we put a flag on your account which means basically any colleague take additional care if somebody is asking about the account, so that we just do a double, double check that we're not sharing details we shouldn't be, as it were (Participant 4).

... credit lending policies being amended to treat individuals differently in the sense of making sure that you're not ringing them up every single day going, 'Why aren't you paying your whatever', like I had, and then having to repeat their story. So, trying to make the customer journey as easy as possible for that customer... From my own personal experience, we want to be treated the same as anybody else but just have that leeway so we're able to keep going with life and rebuild it (Participant 8).

We also offer a national sort code, so for anybody that wanted to conceal their location for example, that's something that we do offer. So it doesn't identify where their local branch is (Participant 6).

... the joint to sole facility is working well, because it doesn't require both parties to be present to separate the accounts. And that was one of the biggest obstacles that we found that those that were wanting to separate their finances and get some financial independence. The biggest blocker for them was having to have that other party present and almost agree to it, which is going to probably put a lot of people off even broaching the subject with their bank (Participant 5).

CHAPTER 2:

Findings *(continued)*

There were a number of challenges to this work however, which orbited around evidencing economic abuse, with many outlining the complexities and differences across cases and scenarios, which culminates in a 'case by case' approach.

... if we're having somebody come to us that's saying I've got this loan, I was forced to take it out or I've got this overdraft, it's not myself that's done it. Where we're at now is we do a full investigation, so we document a full record of investigation, we get the customer's version of the loan was taken on this date, all of the money was transferred straight to my partner's account – that's an ideal scenario because you can sort of track things. It doesn't happen very often, but we have had plenty of those. And you can maybe sometimes find everything's backed up, so what you're told by the victim survivor is evidenced in the transactions, the loan dates and everything. So that's what we would use to then move forward on a decision on what our next steps are (Participant 4).

The more challenging ones are, I was in this coercive relationship for five years, he always used to make me get cash out for him. And then you're looking, cash, there's no way of knowing, there's not always a way of knowing when money's been transferred what that money's involved (Participant 4).

Evidencing EA makes it difficult for organisations to develop set policies and procedures, work relies on ensuring staff across organisations have strong understandings of EA, which can be operationalised in investigative processes, communications with customers and supportive responses. All interviewees had strong knowledge, commitment and skills in navigating EA in their work, however it was clear that this work was complicated which for some was a source of frustration, based on their knowledge on the long-term impacts for victim-survivors. Related industries and intervention networks were also seen as being part of a broader eco system to support the financial wellbeing and capacity of victim-survivors to rebuild their lives, extending the focus beyond banking.

... how do you help people who have their house repeatedly damaged or intentionally damaged or things like that, how do you make sure the cost of insurance isn't prohibitive because they suddenly have a load of claims repeatedly and the underwriting still works for them. I think we've done some work in that space, I'm not as close to it but I think we might have done some work in that space as well... I think the insurance industry might be slightly further behind the banking industry on this topic (Participant 7).

... always it's about that they didn't get to have control of their own bank account and they had no money, they weren't allowed to work, all stuff like that... mine was a joint mortgage property that he refused to pay, sell or leave, and he's still living in it to this day and it's now going into repossession... it's like people like me that are able to afford that lending opportunity, to move on and rebuild their life are unable to because of this poor credit scoring (Participant 6).

I think we're starting to get to the point where we can't do the tricky stuff on our own, so either the legal framework doesn't quite work or we need a view from the Home Office. So, in particular, I talked to one of our lawyers, as an example, we were talking about the separation of debt, so you go to the family court, the separation of assets is OK, fine, but then you might get separation of debt and the judge might say, 'Well OK, you get the house and you come off the mortgage', or whatever, and then you go, well the scenario might just not be workable, the customer might not be able to afford it or you can't enforce it, the court order isn't enforced, and what does the client do? they have to go back to court, they can't fund it, and then you're kind of left trying to go, 'I get you want to stay in the house and we're trying to help you do that, but if you come off of this bit you could lose the house and still get the debt and that doesn't work, and have they really understood what they're asking'. So, whether it's more training between I guess property law and family law and you bring the two together and help, with the finance sector, understand what could and should work for people (Participant 4).



CHAPTER 2:

Shifting the dial: Perpetrators

I think that's really difficult, it's something that we need to consider but I don't think it's on the agenda as of yet with any banks. The perpetrator I think it's always been the thing that nobody really looks at it in any sort of industry (Participant 3).

None of the organisations had procedures, or guidance, which focused specifically on perpetrators, and discussions here often began as strained or stilted exchanges, which developed into reflections about the tensions and challenges involved. One area of work which could be interpreted as perpetrator focused is in identifications and detection, where work had begun to explore the possibility of harnessing data analysis and machine learning technology to detect potentially abusive activity on accounts. In particular, using payment references on bank transfers as a way to say abusive things were highlighted by everyone we spoke to, and work to detect this was in development across some organisations. This, however, was underscored by a discomfort on what to do, how to act on such detections.

... we are trialling pulling out that proactive identification of abusive words and phrases in the payment reference field, or when there's digital chat for example. We've already got algorithms in the background that can pull out certain words or phrases there. So, there are a few mechanisms to identify it proactively (Participant 2).

If they're using abusive payment references and sending messages, we are now trialling what we do in those scenarios. At the very least letting that person know that this isn't acceptable and that we have noticed that, and then monitoring whether or not that behaviour changes...The difficult part of it though when we talk specifically about domestic abuse as an example, is it's not always an abusive word. It's just that presence of that person being there, or a group of words, a group of payments sent that make up a longer sentence, or even just it might be "love

you". But actually, in the context that it's relevant to is actually very intimidating because they're no longer in a relationship together. It's such a tricky one to tackle, but as a first port of call the pilot is looking at, "well what about when it's abusive though, what about when it's clearly an abusive reference, what can we do there"? And then look at some of the multiples or the low value transactions. Somebody sending a penny to somebody every single day. What's going on there? But that's probably the biggest piece that comes to mind that focuses on the perpetrator I would say (Participant 3).

Beyond abusive payment references, one organisation had explored the potential of account transactional data analysis to develop insight on patterns of EA. This innovative work has some potential to shift the lens from reactive support for victims-survivors to proactive detection of perpetration, but again not knowing what to do next characterised discussions.

We have done some work in the past on data... to look at transactional data, to understand what a pattern of abuse might look like and to be completely frank, we found it incredibly difficult. Abuse is varied, and as you, I'm sure, both know much better than I do but abuse is varied, it shows up in different ways. And it comes back to that point around autonomy... even as somebody with quite... what I would describe as quite a far-reaching view of what we should be doing as an organisation, I think for us to look at data and say, oh seems abusive, what do you then do with that? Do you ring them and say? It's a really tricky question (Participant 4).

We have a kind of running experiment around vulnerability and data and one of those will be abuse and if we can be doing more in the space, but to be quite honest we haven't cracked it yet. And I think if we were to crack it, we then would be quite, we'd be challenged to think about what action we would take on the back of that (Participant 1).

One interviewee working in the field of fintech and business development argued that such work could be supported by existing tech, using algorithms and machine learning similar to identification technology in fraud departments, but echoing others the challenge for this participant in the case of EA, being how to fulfil the second part of a detection to action trajectory.

One area of work which could be interpreted as perpetrator focused is in identifications and detection, where work had begun to explore the possibility of harnessing data analysis and machine learning technology to detect potentially abusive activity on accounts.

The tech is there. but whether it is used is for this is another thing, what happens at the point of detection is subject to so many other issues, cultural commitments, having a framework for action, that's complicated (Participant 9).

This interviewee also highlighted that technological capability exists to support the sector beyond detection, to include evidencing EA and broader investigative activity. For example, cross analysis of social media data and transactional data could be used to build evidence in cases, however, data protection and privacy laws may pose barriers.

Detecting and evidencing EA were the main ways interviewees interpreted what it would mean to focus on perpetrators in their work, but not knowing how to action evidence created barriers and stilted these discussions. For some, focusing on perpetrators through detection activities, meant potentially punitive outcomes for perpetrators, and potential distress or exacerbating the situation for victim-survivors. This raised ethical dilemmas, placing it potentially in tension with central tenets of the UK Finance Code, such as customer autonomy, and customer led practice. We present a number of quotes here to show the issues that need to be addressed if practice that targets perpetration of EA is to develop.

... if you were convicted of being an abuser or of any other things, it doesn't necessarily exclude you from opening a bank account or having a relationship with a financial institution. And again, the knock-on effects if you do exclude certain groups from banking, the implications that that can have on people's lives (Participant, 5).



You can't be freezing accounts or anything like that... it's not acceptable to do that. You take the autonomy away from people, you risk creating different or further harm... I think the challenge is, and I will refer back to the UK Finance Code of Practice, a lot of the stuff that we do has got to be customer led. So, recognising, having a feeling somebody might be in an abusive situation comes back to the disclosure side of it... I can give you an example, I'll get a referral that says customer was on the phone, seemed upset, wanting to transfer money to her partner, partner was shouting in the background. Where does that leave me as working for a financial organisation? Picking up the phone to her saying 'oh, I understand that your partner was shouting at you and did you really want to transfer this money?' ... you might make a situation a hundred times worse, because the partner might still be there, so I do think when we go right back to what you were saying, it's all about being customer led (Participant 4).

People live chaotic lives, and some people, I won't say it's a choice and I don't mean that, but some people aren't ready to come out of that chaotic lifestyle and whose decision is that? You know, the police can't even do it, on quite dangerous situations they can't do it, so working for a financial institution, trying to pick up the phone to somebody to play almost like a Samaritan type figure to just say 'oh, I don't think you should be doing this'. You can't do that... the consequences of going after somebody... it could bring it all back again and a situation that's gone silent could suddenly end up being another year of abuse (Participant 6).

CHAPTER 2:

Shifting the dial: Perpetrators (continued)

I think we can recognise where we think things are going wrong, but what can we do with that information, that's the biggest challenge I find. When it's customer led and somebody's reaching out to us for support, they won't know what support we can give, so our job and responsibility is to understand their situation at that time. Understand the risks, understand the consequences, maybe not do what they want us to do because we know that's going to cause further risk, that's where our responsibility is (Participant 7).

I mean if it was up to me, I'd ship them to the police straight away but it's not as simple as that and sometimes a customer wants to reach out just to tell us, but they don't want us to take any action because they're planning to flee (Participant 2).

It was clear that the questions we were posing were difficult, especially given that so much of their knowledge and practice had been built on foundations of support and victim-survivor focussed approaches. Indeed, much of their caution was rooted in their understandings of not acting in ways which might further exacerbate abuse. A focus on perpetrators was read as requiring punitive responses, which also raised a challenge in terms of exceeding their powers as financial institutions.

... we're not law enforcement, and we're not in any position of authority. So unless our goal would be to then exclude them from banking as a result, which is very unlikely, I think really from a financial sector point of view our goal is just always to support the victims in any way that we can from getting out of that situation (Participant 4).

Professionals understood and were frustrated by the disproportionate impacts of EA for victims-survivors, and while some saw punitive actions as being in tension with their remit and powers, others argued for more powers, and began exploring the possibility of framing economic abuse as a financial crime as a way to be more perpetrator focussed in their responses.

... it should affect their future, but it doesn't at the moment. I think a lot of them get away with it... they go on and do it again and they do it again. So we would never know about that (Participant 6).

... the fact that if someone has just left a domestic abuse situation the restraints on them for having left are absolutely ludicrous. So, they're going to struggle to get a bank account, to potentially get a house, get all these things... and the abuser can just go and do without batting an eyelid (Participant 7).

I think we need support to be able to hold these people accountable. I think it's very tough right now, it's so, so tough for us to be able to do that... To me, it is a financial crime and if that's the case there's so many different processes isn't there for financial crime where people are held accountable for committing fraud on bank accounts and sometimes they get sanctioned and not able to open accounts with other people... If that's the case of people that commit financial crime like identity fraud and things like that then why wouldn't that be a case for somebody who has financially controlled somebody else? But that is a whole new process (Participant 2).

This 'whole new process', was seen as complicated, linked to some of the challenges already discussed around detection and evidence, but one professional reflected on the technical and procedural frameworks already in place for financial crime, which could possibly serve as templates for work on EA.

We have got some triggers through our compliance if we're aware of situations, and there is a back system that if, for example, there was some fraud or something like that, then the triggers are already on our system. So, if there's been something that's already come in the past with other organisations as well, there is a linked system where we do get some triggers (Participant 2).

CHAPTER 2:

Reflections

There is undoubtedly a growing awareness and linked set of practices in many financial institutions on economic abuse, located within guidance and policy that emphasises the needs of victim-survivors. Shifting the dial to focus on perpetrators raised a number of concerns and anxieties for many, but also provided a space in which others considered that they already had tools which could be used to detect, here concerns focused on whether they had the powers or responsibility to disrupt abusive behaviours. The sense that the only options were intrusive and punitive suggests that there is space here to explore lower-level responses, whilst also developing higher level industry frameworks to enable perpetrator focussed work.

We spoke with professionals before the recent public debate on the grounds which banks can use to close accounts of current customers: the proposed actions of government to address this and how this translates into policies and practice will influence what options are available. At the same time this moment also offers possibilities for developing guidance on responses to perpetrators of economic abuse.



CHAPTER 3:

Conclusions and recommendations

That it was difficult to move discussions with financial institutions about shifting focus to perpetrators beyond challenges to existing industry practice could be a reflection of the wider policy context, which predominantly focus on victim-survivors.

It may also be linked to how EA work is located within vulnerable customer teams whose primary role is to create support. That EA work has begun here, has indeed set the foundations of strong understandings and knowledge across the professionals we spoke with and their workstreams, underscored by the support and work of SEA. For the finance sector to focus more on perpetrators means panning the lens across from how victims-survivors currently feature in the frame, as vulnerable customers, to the exploitative, abusive and criminal behaviours of their own customers. Some professionals working in the vulnerability field thought this to be beyond their remit, powers, and professional standards.

Focussing on perpetrators also meant for many a potential need for punitive responses, for which there were no current answers or mechanisms. On reflection we wonder if the focus should have been on perpetration – on the potentially criminal actions taking place through financial systems, services and products. The focus in fraud is on the criminal acts not the actors. Many participants recognised that fintech is used as a tool for abuse, and others argued that existing systems and tech could (and in several pilots already had) also be harnessed for detection. It appears that this might need to involve an additional layer of staff and there needs to be more extensive discussion on what the next steps might be once actual or potential abusive behaviour was identified.

We conclude that there needs to be more and deeper explorations within the sector, which begin not from the most extreme action that might be taken, but rather smaller steps. In all institutions engagement with perpetrators evokes complicated reactions, but one route forward has been to focus on the behaviour and the harms that it creates. A first step would be to develop a working group drawing on what has been learnt from the monitoring of the use of payment reference messages and the steps that might be appropriate for banks to take when these are clearly abusive. There have been fruitful strides which could be shared and developed, for example from Stirling Bank working with SEA, in 2023 launched a 'Hide References' feature to allow victim-survivors of economic abuse to mute abusive payment references. The current public debate on the grounds on which banks can legitimately close customer accounts also offers a context in which shared learning and important discussions could be located.

Perpetrator strategies of abuse restrict and narrow victims-survivors 'space for action' (Kelly, 2003) to live freely and fully. Responses, which support victims-survivors to rebuild their lives are in essence about expanding their 'space for action', which responses from the finance sector seek to do. Currently however, those who perpetrate abuse are absent from the frame, and as our discussions reflect, placing them there for many professionals feels uncomfortable, and procedurally complicated. At the same time SEA has always framed this work as closing down the opportunities (narrowing space for action) for abuse. Looked at in this way financial services are already taking action, through the joint to sole for example – but it is framed as supporting vulnerable victim-survivors.

It is not such a large shift of the dial to focus on acts, not individuals, to prevent misuse of financial systems, products and services. Following from this, further potential avenues to narrow perpetrators space for abusive actions could be products and services development, and broader expert conversations and work across the sector.

The work of Portas (2020) and Jeff-Sharps (2022) offers valuable insights to extend the sectors work on EA beyond the vulnerability space. Sharp-Jeffs (2022), for example, has developed a framework which brings together the Financial Abuse Code, FCA guidance and the community coordinated response to domestic violence, to encourage banks and insurers to respond to economic abuse according to a set of principles. Portas (2020) encouraged financial services firms to consider

economic abuse across the business, from purpose and business strategy; economic abuse principles; openness and transparency; policies, practices and operations; leadership and culture; engagement with survivors.

RECOMMENDATIONS

The discomfort that exploring the potential of action in relation to perpetrators in the finance sector led us to suggest a number of shifts in language and a potential way to progress this.

- *The issue needs to be framed as perpetration of harm within the new Consumer Duty, especially the requirement to avoid causing foreseeable harm. This has clear implications for the development of new financial products and fintech more broadly. It also encompasses the misuse of financial products and services, in potentially criminal ways. This is an invitation for financial services to consider how they can narrow the space for action of perpetrators to enact economic abuse through their products and services. Part of this conversation needs to include exploring what 'holding to account' can mean beyond criminal justice.*
- *This work should start with the pilots on misuse of payment messaging, exploring what has been detected, and what series of potentially escalating actions are available to the sector where there is clear evidence of abuse of systems.*
- *The potential of making economic abuse a financial crime needs to be further explored, alongside the fact that many such acts are also criminalised within the offence of coercive and controlling behaviour (CCB). The following should be considered in such explorations:*
 - *As recommended in the report, Seen Yet Sidelined (Sharp-Jeffs et al. 2023), the Government should develop guidance for firms on gathering evidence on EA in support of CCB prosecutions.*
 - *The Economic Abuse Evidence Form (EAEF) developed in partnership by Money Advice Plus (MAP) and SEA, should be investigated as a potential pathway to resolve the perceived challenges in evidencing EA as outlined in this report. An information-sharing tool for use by debt advisers to capture information about the abuse that a victim-survivor has experienced, the EAEF captures information in one place, and could also be harnessed to evidence financial crimes and acts of abuse.*
 - *The possibility of pursuing perpetrators for repayment of coerced debt and theft of financial resources should be considered.*
 - *SEA and financial services could produce a joint briefing for the Family Court Division to point out the ways that decision-making in the court needs to take account of the possibility of EA, and how steps can be taken to minimise this.*

² <https://www.starlingbank.com/news/starling-launches-hide-references-feature-to-help-survivors-of-economic-abuse/#:~:text=The%20Hide%20references%20feature%20is,and%20tap%20the%20Hide%20icon.>

CHAPTER 4:

References

Financial Conduct Authority (FCA) (2021) *Guidance for firms on the fair treatment of vulnerable customers, finalised guidance FG21/1*. London: Financial Conduct Authority.

Financial Conduct Authority (FCA) (2023) *Financial Lives 2022: Key findings from the FCA's Financial Lives May 2022 survey*. London, Financial Conduct Authority.

Kelly, L. (2003) The Wrong Debate: Reflections on Why Force is Not the Key Issue with Respect to Trafficking in Women for Sexual Exploitation. *Feminist Review*. 73, 139-144.

Kelly, L, Sharp-Jeffs, N & Klein, R (2014) *Finding the Costs of Freedom: How Women and Children Rebuild their Lives After Domestic Violence*. London, Solace Women's Aid.

Kelly, L. and Westmarland, N. (2015) *Domestic Violence Perpetrator Programmes: Steps Towards Change*, Project Mirabal Final Report, London and Durham: London Metropolitan University and Durham University.

Portas, J. (2020) *Living a financially resilient life in the UK: The moments that matter in improving women's and all of our financial futures: Insuring women's futures*. London: The Chartered Insurance Institute.

Postmus, J.L., Hoge, G.L., Breckenridge, J, Sharp-Jeffs, N. and Chung, D. (2018) Economic Abuse as an Invisible Form of Domestic Violence: A Multi-Country Review, *Trauma, Violence and Abuse*, 21 (2), 261-283.

Sharp-Jeffs, N. (2015a) *Money Matters: Research into the extent and nature of financial abuse within intimate relationships in the UK*. Project Report, London Metropolitan University/Refuge: London.

Sharp-Jeffs, N. (2015b) *A Review of Research and Policy on Financial Abuse within Intimate Partner Relationships*. Project Report, London Metropolitan University/Refuge: London.

Sharp-Jeffs (2022) *Understanding and Responding to Economic Abuse*, United Kingdom: Emerald Publishing.

Nicola Sharp-Jeffs, Kathryn Royal and Keith Gibson (2023) *Seen Yet Side-lined: How economic abuse is reflected and responded to within successful prosecutions of the Controlling or Coercive Behaviour Offence*. Forthcoming (Sept) London: SEA

Surviving Economic Abuse (SEA) (2020) *Supporting banks and training finance professionals: improving outcomes for victims-survivors of economic abuse*: https://survivingeconomicabuse.org/wp-content/uploads/2020/12/Summary-DEAP-Evaluation_Dec2020.pdf.

UK Finance (2021) *Financial Abuse Code*. London : UK Finance

Report reference: Garner, M. and Kelly, L. (2023) *Shifting the Dial: How financial services could detect, disrupt and hold perpetrators of economic abuse to account*, London: London Metropolitan University.