

Addressing the financial needs of women and children experiencing domestic violence

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Introduction

In 2005, Refuge commissioned the Advice Development Project (ADP) to explore the financial needs of women and children experiencing domestic violence. Funded by HBOS Foundation, the results of the research were used by ADP to develop a number of recommendations for furthering Refuge's operational and policy work in this area. This report outlines progress to date.

Research background

The ADP research involved face-to-face interviews with service users and staff in the following locations:

- Refuge provision in London (Richmond, Lambeth, Southwark and Lewisham) including specialist refuge provision for African-Caribbean women
- Outreach services in London for women from Vietnamese, Asian, Somali, Turkish and Portuguese speaking communities
- Refuge provision in Cambridgeshire (rural location)
- Specialist refuge provision for Asian women in Derby

And set out to determine what financial needs women experiencing domestic violence faced in relation to:

- Financial literacy
- Budgeting
- Income maximisation
- Credit and debt

ADP spoke to British citizens from a variety of socio-economic groups; refugees, foreign nationals settled in the UK, women with literacy issues, travellers, well educated and relatively financially secure women. However, regardless of their background all the women were predominately:

- In receipt of welfare benefits
- With sole responsibility for children
- Needing a lump sum of money to furnish permanent accommodation
- Aspiring to move on and create an independent life

Significantly, a review of existing research and analysis in relation to financial exclusion confirmed that the financial needs of women who have fled or who are living with domestic violence have, received very little attention.

Summary of research findings

Financial control

Women's experience of financial arrangements whilst living with their abusive partner varied. However the research findings confirmed Refuge's experience; that one of the tactics abusive men used to control their partners includes taking control of the family finances.

The women who took part in the research provided many examples of their partner exercising control over finances. These included:

- Stopping her from working so that she was financially dependent on him
- Accompanying her when collecting benefit or when shopping to ensure that money was used for a purpose decided by the perpetrator
- Forcing her to put child benefit in his name
- Making her hand over her wages to him
- Taking her bank card and withdrawing money from her bank account
- Putting all the household liabilities in her name and leaving her with responsibility for debts
- Taking out loans and credit cards in her name

Helena is from East Europe and has a child from a previous relationship. Helena worked and was the sole earner, prior to and following the birth of her child. However after her child was born her partner took control of her financial affairs:

- He denied her money, meaning that she was forced to feed baby solely on breast milk and make nappies last for weeks
- She was taken out shopping but not allowed to eat the good quality food that was bought
- He closed her bank account and would not allow her to claim child benefit
- She had to ask friends to look after money for her but feared violence if she was found out

Women reported that as the abuse they experienced escalated, they felt depressed, lost self-confidence and doubted their ability to cope financially on their own. For some, this made it difficult to make economic decisions and deal with financial matters when leaving their partner.

The situation was particularly acute for black and minority ethnic women who did not speak English, who were completely dependent on their husband or family for financial support and who were particularly isolated. Financial control was also found to be particularly extreme for women whose immigration status was insecure.

Saidi is from Somalia and lived with her partner and his family. During her marriage she experienced a range of emotional, physical and financial abuse. She was imprisoned in her home and threatened with deportation. She was not able to access money herself and was totally dependent on her partner for financial support making it very hard to leave him, especially as she had children.

Financial needs after leaving

The key financial issues impacting on women after leaving their violent partner were identified as being:

- Little experience of using financial institutions and banks
- Lack of confidence in claiming welfare benefits
- Limited experience of budgeting
- Difficulty managing debts
- Need for help and information to support their specific financial needs

Significantly the research also suggested that if women experiencing domestic violence are made aware that there is financial support available to them when leaving a violent partner then this may help them leave.

Experience of using financial establishments

A major problem facing some women who experienced economic abuse as part of domestic violence was lack of access to a personal bank account. This meant that, once in refuge accommodation or accessing outreach services, women needed help in setting up bank accounts or post office accounts.

Best practice:

In one refuge staff members had:

- Organised in-house sessions with the benefits agency and financial advisors to speak to service users about community care grants/crisis loans
- Developed relationships with local bank branches and post offices which are now willing to accept alternative forms of ID (such as a DSS letter) and proof of residency at a refuge
- Referred women on to other services such as the national debt line

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However another difficulty often faced by women in this situation is an inability to prove their identity. This is because many women leave their homes in a hurry and without any possessions. As a consequence they do not have access to key documents such as passports or National Insurance cards and so have to rely on alternative documents or proof of address from Refuge.

In those cases where women had attempted to set up a bank/building society account themselves they reported having to explain their situation to the bank/post office. However the majority of women in this situation found that their banks did not have clear internal and consistent policies for women in temporary refuge accommodation. For example, although one woman was able to successfully open an account at a bank, the same bank refused to accept the same ID from another woman.

Indeed the overall experience of using banks was found to be negative. Women reported:

- Discomfort in going into a bank due to formality and intrusive questions - many women found it intimidating and embarrassing
- Having to reveal their personal circumstances in crowded banks which resulted in unintentional disclosure of confidential information
- Banks not providing confidential and safe environments for women to have one to one meetings
- Negative responses from bank staff when giving an address as a PO box number i.e. acknowledgement of living in a refuge
- Experiencing a change of attitude from banks where they held accounts after they had gone to live at a refuge
- Banks not being willing to provide equal access to services such as overdrafts or favourable terms

Carrie has worked for the last ten years and only gave up her job when she went to live in refuge accommodation. Prior to living in refuge she operated a bank account and was always in credit. She took considerable risks to keep her money from her violent partner and had to ask relatives and friends to keep money for her. However when she tried to move her account to another branch of her bank and gave a PO Box number as a contact, she experienced negative comments and unhelpful attitudes. This has continued whilst she has been in refuge.

Confidence in claiming welfare benefits

Many of the women living in refuge accommodation have to claim housing benefit in order to cover the rent. Some women may never have had to claim benefit before and so this can be a new and unsettling experience.

Most of the women who took part in the research reported wanting or needing help to apply for benefits, especially community care grants or crisis loans. There was also a lot of confusion when it came to claiming child maintenance. Women claiming benefits were pressured by the Department for Work and Pensions to apply but feared that this could lead to their ex-partner learning of their whereabouts (thereby compromising their safety) or that their children would have to have contact with their ex-partner.

Confidence in budgeting

The research also indicated that women would welcome advice on how to manage their finances after leaving their ex-partner or refuge when they move into permanent accommodation. Examples of frequently asked questions by service users include: how to put bills in their name; how to furnish a property; how to prioritise income; and how to budget.

Again the research found that managing financial matters was particularly challenging for women from black and minority ethnic backgrounds. When entering refuge accommodation, many BME women are not aware of the cost of living, need for income or the process of paying bills. Furthermore, very few have their own bank accounts and need assistance in filling out benefit and application forms.

Managing debts

The research further uncovered debts among service users that they had not incurred themselves. Often the violent partner had taken out loans and credit cards in their name. The debts followed them after leaving the perpetrator, subsequently creating anxiety and concern and often leaving them with a bad credit history. In addition, a number of women were found to be unaware of the dangers of high interest rate purchases and unscrupulous lenders.

Experience of financial support from Refuge and other agencies

The women in the study said that they relied predominantly on Refuge staff for support in dealing with their finances. Staff members were viewed as the first and ongoing point of contact. In the main this is because Refuge's staff members work with all women accessing their services on an individual basis to identify what a woman's needs are and will then respond accordingly. As such financial concerns were often a part of this process.

When asked about financial support from other agencies, women only mentioned the Citizens Advice Bureau. In this respect, a number of concerns were raised around accessibility since there may not be a Bureau in their locality, the Bureau may not be open every day and the information provided is very limited.

Additional financial barriers for women in rural areas

Women accessing refuge accommodation

in rural areas reported additional challenges with fewer post offices, banks and other financial support agencies in sparsely populated areas.

Recommendations

ADP made a number of recommendations throughout the report which they brought together under an umbrella financial advice strategy.

The overall aim of this strategy is:

To ensure that women who have experienced domestic violence have the financial information and skills needed to enable them to rebuild their lives free from violence

It is made up of four objectives:

1. To ensure Refuge staff have the skills and resources to deliver appropriate support with regards financial matters to women in refuges and women receiving floating support
2. To provide a wide range of comprehensive financial information and support materials to women experiencing domestic violence who are concerned about the financial implications of leaving their partner
3. To provide women and children with the financial support materials they need to support resettlement
4. To raise awareness with national government and financial institutions of the financial issues and challenges facing women who experience domestic violence to ensure that policies and practices meet their needs and they can access appropriate support

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Progress on recommendations

Objective one: to ensure Refuge staff have the skills and resources to deliver appropriate support with regards financial matters to women in refuges and women receiving floating support

When the ADP team undertook the research in Refuge's services, they found that support workers were able to give women basic information about welfare benefits and other financial issues but that this support was ad hoc and varied between refuges. Since 2005 Refuge has:

- Developed and implemented a core training package for all staff members delivering domestic violence services. This rolling programme covers training on welfare benefits and debt counselling
- Undertaken service user consultation to build on a new National Outcome Framework introduced by the Supporting People Programme (from which Refuge gets funding for refuge and floating support services). Every service user now has a support plan to maximise their economic wellbeing which includes: support to review a service user's financial situation following domestic violence; help to obtain, clarify or change financial documentations; support to deal with any debts; support to deal with any rent arrears; help with budgeting; a review of how work or education/training can be undertaken safely; help in claiming benefits (including housing benefit); support for women who have no recourse to public funds; and support around any other financial issues that are identified
- Explored the work being undertaken in the area of financial inclusion by housing associations and is mapping out additional financial support and resources available for women and children (such as free financial capability workshops, free advice from the Legal Services

Commission and access to alternative sources of finance such as credit unions)

Objective two: to provide a wide range of comprehensive financial information and support materials to women experiencing domestic violence who are concerned about the financial implications of leaving their partner

In recognition that there is little financial advice and support specifically tailored to women concerned about the implications of leaving a violent man, Refuge has developed a financial guide specifically for women and children experiencing domestic violence. The guide has been funded by HBOS Foundation and designed following consultation with service users. Refuge's support staff also contributed to the content of the guide and, as such it pulls together best practice (such as that identified by the ADP report) from across Refuge's services.

Further funding permitting, Refuge plans to use the financial guide as the basis to develop specific web pages on financial well-being for women and children experiencing domestic violence. The website receives 12,000 hits every month and has the potential to reach a significant number of women. Refuge is also keen to use the financial guide as the basis for a training package that could be rolled out to generic financial service providers.

Objective three: to provide women and children with the financial support materials they need to support resettlement

The financial guide referred to under objective two has been organised into three parts so that it represents a woman's financial journey from the moment she decides to leave her violent partner, during her stay in refuge and when she moves on and establishes an independent life. As such, the final section of the guide looks in great detail at the financial support materials available for resettlement. The guide also provides a useful template for budgeting and provides advice on saving and retirement.

In addition Refuge has introduced a resettlement service which offers continued emotional and practical support for women who have left refuge and floating support services, including financial support.

Objective four: to raise awareness with national government and financial institutions of the financial issues and challenges facing women who experience domestic violence to ensure that policies and practices meet their needs and they can access appropriate support.

Refuge is increasingly undertaking policy work related to the financial inclusion agenda and is advocating for Government to recognise the specific financial challenges facing women who experience domestic violence. This has involved:

- Working with a number of voluntary agencies to raise awareness of the challenges facing women experiencing domestic violence, including: providing input into the Fawcett Society's report on 'Women's Financial Assets and Debts' which highlights the impact of domestic violence as well as taking part in a roundtable to explore the links between women and children's poverty; advising the Family Action and One Parent Families/Gingerbread on a piece of research exploring the financial impact of domestic violence; engaging with the National Housing Federation around the financial inclusion work being undertaken by housing associations; and making links with Toynbee Hall on the issue of access to banking
- Raising the issue of economic abuse with Her Majesty's Treasury and the Department for Work and Pensions, including providing training to the new Information and Advice Service which is being developed to support the new Child Maintenance Enforcement Commission (C-MEC) and developing domestic violence input into information products on money and housing that will be sent to parents

- Linking policy work around the issue of no recourse to public funds with the economic abuse agenda
- Highlighting the issue of financial abuse and poverty to the recent 2007/08 Home Affairs Select Committee inquiry into domestic violence, forced marriage and 'honour' based violence
- Undertaking research to understand more about the 'lived experience' of economic abuse in order to develop Refuge's ongoing operational and policy responses appropriately

For more information go to:

www.refuge.org.uk/policyAndResearch.html

Refuge



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Against domestic violence.

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