

Written Evidence submitted by Dr Clare Wiper and Dr Belén Barros Pena

Executive Summary

1. While digitalisation has expanded access to financial products for many social groups, it has also created new tools for economic abuse: online banking apps, instant credit, buy-now-pay-later products, and automated benefits and debt recovery systems can be easily weaponised by perpetrators of abuse to monitor, exploit or financially entrap victim-survivors – often without visible wrongdoing.
2. These harms are compounded by financial systems that prioritise individual responsibility for liabilities, assume equal bargaining power within households, and offer limited mechanisms for recognising abuse-related financial harm. As a result, victim-survivors may be *formally included* as account holders or credit users while being *substantively excluded* from financial safety, stability and independence.
3. Addressing financial inclusion therefore requires not only widening access to finance, but ensuring that financial products and technologies, regulatory frameworks and redress mechanisms are designed to prevent, identify and remedy economic abuse rather than inadvertently enabling it.
4. We are grateful for the opportunity to respond to the Financial Inclusion Strategy (FIS) Inquiry. Our submission covers the scope and foundations of the FIS, and addresses the following questions outlined in the call for evidence:
 - a) What do you see as the major challenges to financial inclusion in the UK?
 - b) Does the FIS address the main challenges to financial inclusion in the UK?
 - c) Are there any major areas of financial exclusion not addressed by the strategy?
 - d) Have the most significant barriers to financial inclusion been correctly identified?
5. Our key recommendations are: (1) Empower economic abuse victim-survivors through flexible and configurable financial services; (2) Develop economic abuse detection and warning systems; (3) Mandate education and training on economic abuse for financial services front-line staff; (4) Include content about economic abuse in the financial education curriculum; (5) Review joint account policies and terms and conditions to identify changes that can support victim-survivors of economic abuse; (6) Develop a legal mechanism to sever joint liability when coerced debt is evidenced; (7) Create clear industry-wide standards for coerced debt responses; (8) Establish standardised “safe exit” procedures for victim-survivors leaving an abusive partner; (9) Develop industry-wide responses to perpetrators of economic abuse; (10) Promote meaningful participation of victim-survivors as true co-producers of responses and interventions, rather than mere informants; and (11) Involve academic experts in participatory design in the Inclusive Design Working Group, to encourage uptake of participatory design practices in an ethical and responsible manner.

Research Team Background

6. We are academic lead (Wiper) and co-lead (Barros Pena) of the EPSRC/UKFin+ funded project *Designing Out Economic Abuse in the UK Banking Industry* conducted in partnership with the national charity Surviving Economic Abuse (SEA). In close collaboration with banking professionals, and under the design leadership of victim-survivors, this project took a proactive stand against economic abuse through participatory design methods. It identified and proposed ways of radically reconfiguring the digital banking features that abusers use to their advantage; and envisioned new functionality that could help prevent abusive behaviour (Royal, Wiper & Barros Pena, 2025).
7. In addition to leading the *Designing Out Economic Abuse* project, Wiper has over a decade of expertise in researching and advocating for improved responses to domestic and economic abuse. She led the first academic study of coerced debt in the UK (funded by the British Academy) (Wiper & Glinski, 2025; Wiper & Finnegan, forthcoming); was commissioned to evaluate the Economic Abuse Evidence Form (developed and piloted by Money Advice Plus in partnership with SEA) which notifies creditors of debts resulting from coercive control (Wiper, 2023); and is currently leading a pilot project about credit union responses to economic abuse.
8. Barros Pena is an expert in the design of financial technologies and participatory design with excluded citizens. She has partnered with people struggling with mental health and financial difficulty, family carers, autistic people and survivors of economic abuse to actively involve them in the process of assessing and improving fintech design (Barros Pena, 2023; Barros Pena *et al.*, 2021, 2021, 2022).

Major Challenges to Financial Inclusion Insufficiently Addressed in FIS

9. Our research shows that current banking technologies and practices inadvertently facilitate abuse because banking infrastructures are built to detect and prevent fraud from sophisticated external criminals motivated by financial gain, not to recognise abuse from intimate partners who know their victims' personal details, have legitimate access to joint products, and are motivated by power and control rather than money (Wiper & Glinski, 2025; Bellini, 2024). As one victim-survivor explained: “He knew my mother’s maiden name, my date of birth, my favourite colour ... so he could very easily set things up in my name without me knowing and without having to meet anyone [from the bank] in person” (Wiper & Glinski, 2025: 8).
10. Consequently, standard practices – such as reducing friction for repeat transactions, enabling online applications with minimal verification, treating joint account holders with equal rights regardless of financial contribution, and using personal information for authentication – create exploitable vulnerabilities. The very features designed to

make banking convenient and secure against stranger fraud inadvertently enable abusers to generate coerced debt, empty joint accounts, monitor victim-survivors' finances, and maintain control long after separation. One victim-survivor described banks as "becoming perpetrators by proxy" (Royal, Wiper & Barros Pena, 2025: 26) through practices like holding them liable for debts they did not consent to, automatically disclosing their safe addresses through joint account correspondence, and maintaining affordability criteria that prevent them from escaping abusive financial arrangements.

11. Furthermore, our research shows that even when victim-survivors overcome significant barriers to disclose economic abuse to their banks, they encounter disbelief, distrust and victim-blaming attitudes by banking staff, including being blamed for 'allowing' or 'enabling' coerced debts. Such responses not only cause additional trauma but actively discourage future disclosures. As one victim-survivor explained: "I spoke with [my mortgage provider] and although they were quite sympathetic to what I was saying they explained that they don't get involved in domestic disputes" (Wiper & Glinski, 2025: 11). As it stands, responses to economic abuse within the financial services sector are discretionary and case-by-case, rather than legally mandated (UK Finance, 2025; Financial Conduct Authority, 2022) which means there is significant variation in support between banks, and even within the same institution (Wiper, 2023; Wiper & Glinski, 2025).
12. Joint financial products are particularly problematic in the context of economic abuse. Studies show that abusive intimate partners can use joint accounts to create debts that the victim-survivor is then liable for; can coerce victim-survivors into only having a joint account whilst the abuser keeps their own finances separate; and can withdraw large sums from a joint account, even if they have not deposited any amounts into it (Royal, 2024; Wiper & Glinski, 2025). As one research participant explained: "My ex-husband used to wipe our joint account out every Friday...leaving me...with absolutely nothing. He would even take all the bill money and spend that as well" (Royal, Wiper & Barros Pena, 2025: 24). In addition, it can be difficult to close a joint account without the abusers' permission, which means that victim-survivors are often financially tied to their abuser, including for many years post-separation.
13. Joint mortgages are likewise vulnerable to abuse because banks have obligations to both parties on the joint contract, severely limiting their ability to respond when one party is being exploited. Abusive intimate partners can therefore use mortgages to trap victim-survivors through forcing them to pay all or more than their agreed share, accruing additional debts against the joint mortgage, refusing to allow refinancing at better rates, and sabotaging the victim-survivor's ability to make repayments (Wiper & Glinski, 2025; Cartwright, 2024). Our research found that this creates what victim-survivors describe as both "financial entrapment" and "legal entrapment", with one research participant stating: "you can't even pay your way out" as the problem extends far beyond money into complex legal territory around property ownership and secured

debt (Royal, Wiper & Barros Pena, 2025: 24).

14. In addition, when an abusive intimate partner generates debts in a victim-survivors name, stops paying joint mortgages or deliberately defaults on shared credit products, credit reference agencies record these as failures against the victim-survivor, even though they had no control over these actions (Littwin, 2013). Damaged credit ratings then create compounding barriers to escape and recovery: victim-survivors are denied mortgages when trying to secure independent housing, refused credit cards or loans for essential purchases, and face higher interest rates that make rebuilding their financial lives more expensive (Wiper & Finnegan, forthcoming). As one victim-survivor explained: “I didn’t want to get black marks on my credit rating because I knew I needed to be able to get a mortgage to rehouse myself and the kids ... it’s just so cruel” (Wiper & Glinski, 2025: 11).
15. However, increasing access to credit for victim-survivors (e.g., including via the Fair4All Finance pilot) without developing safeguards, will not facilitate financial inclusion. Participants in our research highlighted that financial inclusion requires proactive detection of economic abuse, mechanisms to hold perpetrators accountable, pathways to separate joint liabilities, compensation for financial harm, and credit restoration for victim-survivors whose scores were damaged through coerced debt – not simply *more* access to products that can be weaponised (Royal, Wiper & Barros Pena, 2025).
16. Furthermore, it is important to acknowledge that financial inclusion does not happen in isolation. Our research demonstrates that banking and credit practices intersect with multiple failing systems: family courts that divide assets without considering economic abuse, leaving victim-survivors liable for debts that solely benefited perpetrators; criminal justice systems where the majority of economic abuse cases never result in conviction, yet banks require police reports before offering support; employment systems where gender pay gaps and precarious work make women economically vulnerable; and social welfare systems that provide inadequate support for those fleeing abuse (Royal, Wiper & Barros Pena, 2025; Wiper & Glinski, 2025; Wiper & Finnegan, forthcoming). Meaningful financial inclusion therefore requires a coordinated cross-sector response.

Key Recommendations

17. Explore how digital technologies can enhance flexibility and configurability of financial products in ways that help victim-survivors regain and retain control of their money. For instance, through the development of safe-banking digital modes; settings to configure the visibility of financial information in digital interfaces; offering "don't-lend-to-me" digital flags; the ability to customise transaction notifications in joint accounts; the provision of separate, individual annual financial health checks for joint mortgage holders; and options to self-exclude from certain financial products such as

joint accounts (see Royal, Wiper & Barros Pena, 2025).

18. Encourage the development of economic abuse detection and warning systems, so that the burden of proof (and disclosure) does not fall solely on victim-survivors. Banks are uniquely positioned to identify patterns of economic abuse and to develop economic abuse warning systems. Banks also have access to a wealth of financial data and have successfully deployed pattern detection and warning mechanisms for fraudulent transactions and problem gambling. This expertise could be redirected towards developing similar detection and warning mechanisms for abusive behaviour.
19. Alongside the development of detection and warning systems, it is essential to offer human interventions that are accessible through multiple channels (online, telephone, in-branch) and different formats (e.g., multiple languages). We are pleased the FIS will rollout 350 banking hubs, but specialist domestic abuse teams must also be made available across all banks to respond to flags on systems, and to support customers who disclose abuse to their bank.
20. At the same time, economic abuse training must be made available (and mandatory) for all financial services frontline staff – and not just specialist teams. This will empower staff to identify and respond to economic abuse in ways that do not jeopardise the safety of victim-survivors. It will also relieve the burden of disclosure, which currently falls disproportionately on victim-survivors. This training should be trauma-informed and delivered by experts (e.g., Surviving Economic Abuse) rather than developed in-house.
21. Educate citizens about the risks of joint accounts and other joint financial products, the importance of maintaining a separate bank account, and good “financial hygiene” practices (e.g. never pay your salary into a joint account). Use key points in digital financial journeys to deliver this information (e.g. when customers apply online for a joint account). Cover economic abuse, how to identify it and how to protect oneself from it as part of the financial education curriculum, but do so in a way that acknowledges that financial wellbeing is not simply the result of individual knowledge and resilience: it is also generated by systemic and structural factors, as well as unpredictable life events, such as becoming a victim of abusive behaviour.
22. Review joint account policies and terms and conditions, to identify additions or amendments that better support victim-survivors of economic abuse. Two suggestions emerged from our *Designing Out Economic Abuse* research: (1) treating joint account holders as “tenants in common” (similar to joint home ownership) so as to enable banks to split joint account balances in cases of abuse; and (2) offering configurable positive friction for joint account withdrawals, such as needing both customers’ consent for withdrawals over a certain amount. Such interventions would prevent an abuser from emptying the joint account and leaving the victim-survivor economically

and financially vulnerable (Royal, Wiper & Barros Pena, 2025).

23. Consider the development of a legal mechanism to sever joint liability (including for secured debts such as mortgages) when coerced debt is evidenced. It is currently extremely difficult for victim-survivors to detach themselves financially from their abusers (without the abuser's consent or a court order) which leaves them vulnerable to being pursued for the entire sum of a joint debt, regardless of whether they benefited from or even knew about it. A clear legal pathway to sever joint liability would improve financial inclusion and economic freedom.
24. Create clear industry-wide standards for coerced debt responses, including mandates for implementing credit file restoration *and* writing off coerced debts when sufficient information or evidence is provided (e.g., via the Economic Abuse Evidence Form). Police reports should never be required as a prerequisite for support. At present, debt write offs are handled on a voluntary case-by-case basis by individual creditors, resulting in significant inconsistencies. It is important that victim-survivors receive consistent and equitable treatment across all financial institutions.
25. Establish "safe exit" procedures for victim-survivors leaving an abusive partner. This should include standardised processes across all banks, which might include: immediately freezing perpetrator access to joint accounts upon disclosure; separating joint account balances; suspending joint liability on credit products pending investigation; flagging accounts to prevent new applications in the victim-survivor's name; providing emergency funds or fee-free overdrafts to support immediate safety; and routing the victim-survivor to specialist support from trained staff who can coordinate with other creditors where the victim-survivor or perpetrator hold accounts.
26. Call for the development of industry-wide responses to perpetrators of economic abuse, and enhanced inter-bank collaboration to share information about perpetrators. This might include the use of warning letters for abusive behaviour, and the implementation of consequences for continued abuse (e.g., account suspension or refusing finance). In Australia, some banks have changed terms and conditions to enable the "unbanking" of perpetrators who use financial systems to cause harm (Fitzpatrick, 2023). Some of these banks have also developed mechanisms for reporting abuse to the police with the victim-survivors' consent. Implementing similar actions across UK banks would help to facilitate a two-pronged approach to financial inclusion: supporting victim-survivors to access and use financial services safely while holding perpetrators accountable for misusing those same systems to cause harm.
27. Given the complex entanglement of financial products, services and technologies with economic abuse, it is paramount that victim-survivors, as experts by experience, become involved in the process of conceiving and developing interventions and

initiatives. Such involvement should not be limited to the role of informants: it is not enough that government, finance and policy experts sit down to listen to victim-survivors' testimonials. Instead, victim-survivors should be active participants in the process of envisioning and crafting interventions, in close collaboration with other forms of expertise. This type of involvement goes well beyond inclusive design, moving towards meaningful participation in design and decision-making. The *Designing Out Economic Abuse* project constitutes an example of how this kind of design participation can be executed in practice.

28. Include academic experts in participatory design in the Inclusive Design Working Group, to encourage uptake of participatory design practices and support industry partners in developing suitable co-design methods, techniques and approaches. Participatory design and co-design practices were born in the context of close collaborations between academia and industry. They are a testament to the strengths and advantages of such partnerships. Academics have been at the forefront of innovation in terms of inclusive and participatory methods, techniques and approaches. UK Universities are worldwide leaders in this field. Excluding this expertise from the Inclusive Design Working group constitutes a missed opportunity for responsible innovation.

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