Insights Paper

# "That credit listing is a reminder of the family violence"

## Arca domestic abuse project

April 2024

FLEQUITY

# Contents

# Acknowledgements

*"We know what needs to change. No meaningful solutions can be made about us without us."*
– Members of the Independent Collective of Survivors, National Plan to End Violence against Women and Children 2022-2032, Commonwealth of Australia, 2022

Thank you to Arca for the opportunity to work on this project and for your commitment to listen, learn and respond to those with lived experience of domestic abuse.

Thank you to the 24 survivor-advocates who described their interactions with credit providers and experiences of domestic abuse for this project. Their insights and suggestions formed the basis of consultation with industry and a recommended roadmap for change.

This research with victim-survivors was expertly facilitated within an ethical and trauma-informed framework by our project partners.

It was complemented by insights from professionals who have between them more than 40 years experience working with men who use domestic abuse. This is an often overlooked part of the business response to domestic abuse, but it is an important input into consideration of customer service and accountability for perpetrators with safety at the heart.

I am indebted to my project partners for their willingness to combine our complementary skills and collaborate on this project.

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Flequity Ventures acknowledges and pays our respects to the traditional custodians of the lands on which we work and live, and to their elders past and present. We recognise their unique, enduring connection and care for our land, waters and community. We especially recognise the Aboriginal and Torres Strait Islander women working to end violence, and those who have and continue to endure a disproportionate rate of family violence.


Report design: Ideaseed

# Introduction

Domestic abuse is an urgent national problem in Australia, with on average one woman killed every nine days by a current or former partner.[1] It can affect anyone, anywhere, but victim-survivors are primarily women and perpetrators are primarily men.[2]

> *"I was treated like the financially irresponsible one and regardless of how it happened I had to wear the consequences. Essentially I heard, we acknowledge that you are a victim, but you still have to be held accountable for the issues."*

> *"Everything I had disclosed was clearly family violence, but I actually had to use that term and say I was going to court for a family violence intervention order and cry for the bank to suddenly act and help me."*

> *"That credit listing is a reminder of the family violence."*

> *"Would I have engaged if they proactively asked me if I was OK? During the abuse, probably not. But they should still do it. If they'd done it, I reckon I'd if have asked for their help a lot earlier than I did."*

To meet the Australian Government's ambitious target of ending gendered violence in a generation, business must join sustained, collective action across society to:

- Prevent gender-based violence through fostering gender equality in the workplace
- Provide leave entitlements for victim-survivors, such as paid family and domestic violence leave and paid parental leave
- Design products and services that are safe and prevent misuse, while also focussing on perpetrator accountability.[3]

The Australian Retail Credit Association's (Arca) domestic abuse project aims to improve credit provider responses to customers experiencing domestic abuse. Economic and financial abuse are where credit providers and credit reporting bodies are most likely to have a role to play for customers, as well as considering physical safety. One in six women and one in 12.5 men have experienced partner economic abuse since the age of 15, almost the same rate as their experience of physical violence.[4]

The project is informed by tailoring 'safety by design' to the credit system.[5] The objectives of a financial safety by design approach for the finance sector are to:

- Design products that are flexible and safer from misuse
- Provide customers with information and choice
- Be clear on the rules and consequences for misuse.

The first phase of financial safety by design is to understand products as weapons, informed by lived experience. The second is to design for financial safety, identifying controls and mitigants to make it harder for people to misuse financial products as a tactic of coercive control and improving support for victim survivors. The third is to communicate acceptable behaviour, by being clear on the rules and consequences for abusive behaviour.

1 Quick facts, Our Watch, February 2024
2 Personal Safety, Australia 2021-22, Australian Bureau of Statistics, March 2023
3 National Plan to End Violence Against Women and Children 2022-2032, Department of Social Services, 2022
4 Personal Safety, Australia 2021-22, Australian Bureau of Statistics, March 2023
5 Designed to Disrupt: Reimagining banking products to improve financial safety, Centre for Women's Economic Safety, 2022

Financial abuse is a pervasive form of domestic violence that often goes unnoticed or unaddressed. It encompasses a range of tactics used by perpetrators to control victim-survivors' access to financial resources, exploit their vulnerabilities, and maintain power and control within the relationship.[6] In recent years, there has been growing awareness of the intersection between financial abuse and credit products, highlighting the need for credit providers to understand the experiences of victim-survivors and implement strategies to support them safely and effectively.

This report presents key findings of two phases of Arca's domestic abuse project.

The first phase was research with domestic abuse victim-survivors, focusing on their experiences with credit products and interactions with credit providers, and a discussion roundtable conducted under the Chatham House rule with experts working with perpetrators of family violence.

Key findings of phase one include:

- Domestic abuse victim-survivors are held liable for debts incurred fraudulently or through coercion, which cause immediate and long term financial and other stress.
- Safety of victim-survivors must be paramount and responses from credit providers tailored to individual circumstances and mindful of exacerbating perpetrator behaviour.
- Timeliness of referrals to specialist teams and other services needs to be improved.
- There is no general expectation that credit providers should rescue victim-survivors or write off coerced debt – but fraudulent debt should be waived and credit providers should protect victim-survivors from further abuse.

The second phase was consultation with industry via two member workshops convened by Arca to discuss research into customer experiences of domestic abuse and the credit system and a high level industry roadmap and specific actions to respond.

Key findings of phase two include:

- Members agreed there are a number of priority actions to address the needs of victim-survivors, with the most important to ensure staff are appropriately trained
- There is considerable uncertainty and disparity of member views on key principles that would enhance victim-survivor support, a number of which are considered better industry practice
- Industry guidance would assist to drive consistency of understanding and approach across credit providers and reporting agencies
- Education is needed to improve consumer awareness and understanding of credit and domestic abuse
- Members understand the need to treat joint account holders as individuals in domestic abuse situations, but see value in exploring product design changes as opposed to credit reporting at an individual rather than account level.

This report provides eight recommendations for Arca to consider when developing an industry roadmap that will enable credit providers to enhance their policies, procedures, and support mechanisms to better serve people impacted by domestic abuse. In particular, it is exploring development of pragmatic arrangements for joint accounts to support credit reporting of different information for each account holder where domestic abuse exists.

The insights gathered provide valuable perspectives for credit providers to enhance their policies, procedures, and support mechanisms to better serve people impacted by domestic abuse and for the industry to consider in the context of credit reporting and other regulatory obligations. Above all, they centre the need for understanding, flexibility and safety in responding to all the complexities of a wicked and devastating problem that has individual and systemic consequences.

[6] Understanding Economic and Financial Abuse in Intimate Partner Relationships, Gendered Violence Research Network, UNSW, October 2020

# Background

Arca is seeking to improve credit reporting treatment for joint accounts where domestic abuse is present. A potential option considered by industry, account splitting of joint accounts to facilitate reporting different information for each account holder, has the potential to require significant change and investment from member organisations and it is not clear that, in isolation, this option will really improve customer outcomes.

Arca engaged Flequity Ventures to gather and analyse the perspectives of people with lived experience and expertise of domestic and financial abuse, and to recommend options for a solution to improve the credit reporting treatment of joint accounts where domestic abuse is present, including considerations for members and regulatory/policy advocacy.

The project has been delivered in two phases: research conducted by expert partners to understand the experiences of victim-survivors in dealing with credit providers and credit reporting and perspectives of professionals who work with men who choose to use violence; and two workshops with Arca members to play back research insights and member survey results and discuss potential industry and regulatory responses.

This report provides insights, a summary of the project and recommendations for an industry roadmap.

## Victim-survivor lived expertise

- The Centre for Women's Economic Safety (CWES) surveyed members of its Lived Experience Advisory Panel and received 16 responses relating to their understanding of credit reporting, their experience of credit reporting impacts related to domestic abuse and their suggestions for improved responses from credit providers.
- The Independent Collective of Survivors (ICOS) interviewed eight people with lived experience of financial abuse about their experience of money in an abusive relationship, the role of credit providers to prevent and/or recover from domestic abuse and their experiences of credit reports, products and services.

Both organisations follow ethical standards for working with victim-survivors and supporting them to advocate for change, including payment of professional fees.

## Perpetrator perspectives

- The Institute of non-Violence (IonV) participated in a virtual facilitated discussion workshop with ARCA to provide insights into perpetrator behaviours.

# Phase One: Research

# Victim-survivor experiences

## Survey insights[7]

A survey to inform in-depth interviews found a high level of confidence to describe a credit report and credit score (75%) among victim-survivors. The vast majority (87.5%) had been pressured to access or extend credit against their will, with almost two thirds (64.3%) related to credit cards. Just under half (43.8%) had debt taken out in their name without their knowledge, primarily interest-free purchase or personal loans. More than half (53.3%) said their credit report and score was impacted and more than half (53.3%) have used credit to support their safety, primarily BNPL or credit cards.

*"An employee of the company rang me to let me know the account was overdue and my ex-husband was refusing to pay it. There are likely other accounts, but I am not aware of them yet."*

*"In 2020 after seeking all paperwork from the bank for almost four years I was able to see the loan documents and that my signature had been falsified in at least four examples that I am aware of."*

*"I had no debt before I met him and now I'm left paying off large sums of money."*

Respondents reported they were left to repay the debt – amounts ranged from $5,000 to $1.5 million for people earning income ranging from $0 to $60,000 – because they weren't believed, it was part of the abuse or they felt powerless or overwhelmed and left with no choice.

*"I told the company that I was/had been in a domestic violence relationship and had no access to my bank accounts, emails etc. They didn't believe me so I had to get Redfern Legal to try and help."*

*"I provided expert evidence that my signature was falsified to the family law court and contacted the bank to advise of the same. I was held jointly responsible for the debts and there was no repercussions to the perpetrator."*

*"(It) meant(I) ended up going bankrupt, I had no money to pay for the debts he had put in my name, if I couldn't stay at my mum's I would have been homeless again like I was most of the time with him."*

[7] Credit products and reports – Arca, Centre for Women's Economic Safety, November 2023

The impacts were and continue to be devastating.

*"All income went to pay debts meaning I didn't have money for essentials such as food or health care."*

*"Financial ruin. Starting again. Shame. Homeless for a period. No security. Isolated. Had to ask for help from charity. Pure survival mode for years. People not believing I couldn't have known. People not understanding how traumatic the deceit was. Starting all over again but with two teenagers to support."*

*"Along with everything else, I may never recover financially or mentally."*

Survey respondents described mixed experiences with credit providers, ranging from supportive and empowering with flexible solutions and debt waivers to uncaring and harassing.

*"Amazing, supportive, did all possible to assist and empowered me."*

*"Most debt was removed."*

*"They didn't care. Still continued to harass and threaten me."*

Among respondents who reported using credit products to manage or support their safety, nearly two thirds (62.5%) used buy now, pay later, half had used credit cards and more than a third (37.5%) on phone or internet or utility company contracts.

They called for greater understanding and accountability for perpetrators, observing they felt penalised for the actions of another person.

*"The fact that I was treated like the financially irresponsible one and regardless of how it happened I had to wear the consequences. Essentially I heard, we acknowledge that you are a victim, but you still have to be held accountable for the issues."*

*"Some things stay on your file for 10 years even if they were not your debt. It's overwhelming. It's like being punished for being a survivor. It should be easier to start over and to be protected rather than feeling vulnerable."*

*"The fraud should be reported to police for the white collar crime it is, along with charges for coercive control. It's not a lesser crime due to a domestic relationship."*

But they also cautioned against actions that could compromise safety – with responses highlighting the need for a range of options based on individual circumstances.

*"Be careful with any note taking that might put the victim at further risk."*

*"No actions to be taken without prior notice and consent to avoid repercussions and impacts to children."*

## Interview insights[8]

Interviews with victim-survivors revealed a diverse range of experiences, with abuse manifesting through various credit products and tactics employed by perpetrators.

Survivor advocates described scenarios where credit cards, personal loans, joint accounts, and secured guarantees were used by perpetrators to exert control and manipulate financial arrangements. Examples included:

- Credit cards in the abused person's name only, used for the benefit of the perpetrator.
- Personal loans in the abused person's name only, used primarily but not exclusively for the benefit of the perpetrator.
- Credit cards in joint names, controlled by the perpetrator in practice (as would be visible to the credit provider from the person's card being used for transactions).
- Personal loans in joint names, for the sole benefit of the perpetrator.
- Personal loans in joint names for the predominant benefit of the perpetrator.
- Secured guarantees provided by the abused person to support the perpetrator's personal or business loan facilities (both loans and lines of credit).
- Redraw facilities on a secured residential loan in joint names (in some instances fraudulently obtained).
- Lines of credit on a secured residential loan (in some instances fraudulently obtained).
- Credit limit increase applications (on both secured and unsecured lending facilities) in joint names, fraudulently obtained by the perpetrator.

> *"Don't get me started on instore credit [applications]. You can't say "no" or you know what's going to happen. You're in a store and everyone can see you both. The sales-person just wants to sale and the commission on the finance. Conflict of interest much? There went 50K."*

Victim-survivors described various tactics to perpetrate financial abuse, including psychological manipulation, coercion, physical violence, and exploitation of technology. They reported feeling coerced into signing financial agreements, pressured to comply with perpetrators' demands, and intimidated into silence. This was compounded during the COVID-19 pandemic where remote banking practices – now becoming more prevalent – were exploited to engage in financial abuse, taking advantage of victim and technological vulnerabilities.

The interviews also highlighted the role of addiction, mental health issues, and entitlement in domestic abuse, both as a barrier to leaving and escalation post separation. Some perpetrators exhibited reckless financial behaviour, while others used financial abuse as a tactic of control, punishment or revenge, particularly as a financial tether in the context of separation.

The abuse often escalated when victims attempted to discuss how money is spent or borrowed, assert independence or seek assistance, leading to fear of physical harm or retaliation.

Participants highlighted the challenges they faced in navigating the financial system, particularly those from migrant backgrounds who lacked familiarity with banking processes and legal rights.

[8] Australian Retail Credit Association – Credit Reporting System, Independent Collective of Survivors, January 2024

Credit provider knowledge of financial abuse was inconsistent and the shift from face-to-face to digital services made financial abuse easier to perpetrate.

In their experience, credit providers and debt collectors struggled to understand coerced debt when it was obtained in the victim-survivor's sole name, refused to provide assistance and frequently referred to credit benefits and terms and conditions. While a number disclosed they would have said what they needed to say to obtain the credit given the consequences if they failed to be successful, they observed that had more information been supplied at contract inception about what happens to debt if the relationship ends they may have sought help from the lenders and others earlier, potentially stemming the abuse.

> *"Would I have engaged if they proactively asked me if I was OK? During the abuse, probably not. But they should still do it. If they'd done it, I reckon I'd if have asked for their help a lot earlier than I did. If I knew they had that [hardship/vulnerability] team, and that they weren't just going to default list me and would help I could have saved myself and probably them a lot of pain."*

Where credit was in obtained in joint names, the responses from finance providers ranged from being faster to refer the victim-survivor to the specialist team, provide assistance and to take back debt from collectors to acting combatively.

Remote lending practices such as redraws and credit limit increases on unsecured loans and credit cards made it easier for perpetrators to make fraudulent transactions and applications by impersonating the victim-survivor remotely. These fraudulent debts were frequently discovered only after they left the relationship, or inadvertently.

Victim-survivors exhausted many options to service their debts – many before approaching their credit provider – including liquidating assets, working multiple jobs, going without necessities, payday loans and borrowing from family and friends.

Safety considerations were paramount for victim-survivors seeking assistance from credit providers. Fear of escalation of abuse, lack of trust in financial institutions, and concerns about privacy and confidentiality deterred victims from seeking help. Victims also expressed worries about account compromise and technology-facilitated abuse, particularly in remote banking environments.

Language barriers, cultural sensitivities, and lack of awareness about available support services further hindered victims' ability to seek help and navigate the financial system safely. Many victim-survivors felt unsupported by credit providers and feared disclosing their circumstances would jeopardise their safety.

Barriers to seeking help included:

- Not being safe to seek help (due to being trapped with a perpetrator or being under surveillance).
- Not trusting the credit provider to protect personal information and not share it with the perpetrator.
- Adverse experiences with the credit provider (not being referred to specialist teams when referrals should have happened).
- Not being aware of the help available from credit providers.
- Not being aware of the extent of the debt they were in in some circumstances.
- Credit providers not being equipped to deal with family violence in the context of a small business lending facility for a family business.
- Shame.

A common problem identified by interviewees was the lack of knowledge of specialist teams or support available from credit providers, and delays with being referred to them with poor recognition of their circumstances unless they specifically mentioned domestic abuse.

> *"Everything I had disclosed was clearly family violence, but I actually had to use that term and say I was going to court for a family violence intervention order and cry for the bank to suddenly act and help me."*

> *"It was horrific until I got to the hardship team and someone who had been trained in family violence. He [name] was lovely but what I went through before I got to him means I'm reluctant to borrow again."*

> *"The hardship and vulnerability people in the bank were great but it took way too long to get referred there."*

A lack of trust and concern about privacy also led to a reluctance to engage with the credit provider. A key theme was the need for credit providers to both protect the information of abused people, assure them of confidentiality and take complaints about privacy breaches and account compromises seriously. Independent financial counsellors, community lawyers and specialist women's legal services provided the best support, including advocating on their behalf to credit providers.

Language barriers and cultural norms further compounded these challenges, making it difficult for victims to access support services and understand their options for seeking help.

> *"The ABA and AFCA stuff is great, for people who are born here and have good English, but banks can be like police when they come to someone CALD with bad English, in that they get the perpetrator to translate or explain, and that's always gonna go where its gonna go isn't it? If they're going to intervene earlier and help or educate, they need to think about that fact that in a lot of cultures and languages the concept of family violence doesn't even have a term and your husband can just treat you as property, so there's extra support and nuanced materials needed. Just translating what you do for the Australian born and good English speakers won't cut it."*

Interviewees reported that credit reporting changes had not led to adverse impacts, despite their expectation that they may experience discrimination from new lenders.

The consequences of financial abuse and their experience with credit providers had changed their perception and behaviour of money and credit, with interviewees reporting they were more cautious and conservative or hypervigilant about money and credit risk.

# Perpetrator perspectives

**In developing effective and safe responses to domestic abuse, it is instructive to understand the tactics used by perpetrators as provided by professionals who work with people who have used domestic and family violence, rather than seeking to consult directly. This is because perpetrators are likely to place themselves as victims or mutually impacted, deny or minimise the violence.**

A discussion paper[9] and facilitated roundtable with experts on perpetrator behaviour and intervention highlighted the various ways perpetrators may present – from highly intelligent master manipulators to marginalised with limited knowledge of the financial system. A common feature was a desire to control the victim-survivor – either because they felt entitled or in response to feeling powerless in other aspects of their lives.

> *"A high percentage of charismatic users are very likable, really good at getting people to like them ... know for a fact that you will be manipulated."*

Male privilege and entitlement contribute significantly to the perpetuation of financial abuse, with societal norms often rationalising control over finances and the system established when women were the property of men. Perpetrators may exploit traditional gender roles, such as viewing financial management as a male responsibility, reinforcing harmful stereotypes that credit providers must be vigilant against.

Financial abuse is rarely an isolated incident but rather a tactic within a broader pattern of power and control, intersecting with intimidation, emotional abuse, and coercion. The intention of financial abuse is diverse, aiming to assert dominance, isolate victims, and erode self-worth. Perpetrators may rely on societal stereotypes to perpetuate dependency, exacerbating the difficulty for victim-survivors to seek help.

Credit providers should be attuned to these interconnected dynamics and varied motivations, adopting a holistic approach to identify and address financial abuse red flags and to tailor interventions, supporting victim-survivors to regaining financial autonomy.

Roundtable participants validated the experiences described by victim-survivors. They advised that perpetrator experiences of the credit system could inform financial abuse – potentially creating an understanding of how it could be misused as a weapon in domestic abuse or, where their experience with credit providers felt punitive, harsh or judgmental, trigger abuse. Responses needed to balance the need to make it clear that financial abuse is wrong without making an abuser feel targeted.

> *"If a person who is prepared to use violence, if they feel punished, if they are identified, if they are targeted, if they are outed... If we are going to make life more difficult for them, what are they going to do with what they can influence? ... Are they more likely to blame, justify, minimise, deny and look to act out with resentment and vengefulness?"*

> *"100% we want to be kind and compassionate to all our customers because that will be better for business probably, and two, they won't take out their anger on somebody else."*

> *"I think it's a fine line because, yes, we want to hold them accountable. Yes, we need them to know that what they're doing is wrong ... but if we aren't nice enough that he can go and backlash towards her."*

9 Discussion paper: Perpetrator insights around financial abuse, Institute of non-Violence, December 2023

*“I do think it is about if you can be compassionate, and indeed provide a way out for a perpetrator that is without violence that is oftentimes their preferred option. I don't believe persons who use violence wake up in the morning and think how the hell can I be violent today? That's not their preference. They want to go through life is smooth and as comfortable and as pleasant a manner as possible, like the rest of us. And they're also aware that if that doesn't work ... (they are) more likely to sort of reach into my bag of tricks and start using other sorts of behaviour. And so, I guess, you know, if there is bad news that has to be delivered to a family unit about their credit history with a credit circumstance with a financial situation, looking to try and provide help support assistance, ways out of that, that are respectful to all parties is you know, would be helpful would be useful.”*

Roundtable participants acknowledged changes in credit provider and system responses would take time and require investment, particularly as joint debt is a key feature. However, they encouraged the industry to have the courage to try new approaches, with victim-survivor safety at the centre.

*“Is the system ready to separate two individuals, which I imagine will be a big feat when the system is based and embedded in individuals being together? In a power dynamic in a relationship where there are tactics of abuse, the abuser is absolutely invested in melting the other person into their world. So when systems are also designed to do that, they facilitate that process. And we really need to create systems around that couple that treats them as individuals within a partnership. As opposed to this enmeshed entity.”*

*“It's about considering how do we treat two people as separate individuals so that we have a process in place to respond to one differently to our response to the other.”*

*“There are things that can be done. Absolutely. And they involve time. They involve cost. They involve resources, they involve thought, they involve courage, and they involve changing.”*

# Suggestions for change

Research participants were asked to identify potential reforms and support mechanisms to better support victim-survivors of financial abuse:

Redesign credit facilities to improve transparency and accessibility for guarantors, particularly in small family businesses.

Enhance credit application processes to include education and agreement about the debt, benefits and what happens to it upon relationship separation.

Strengthen regulations and processes to prevent fraudulent loan applications and coerced debt.

Increase visibility of liabilities and alerting to changes in real time, for example for guarantors, and removing the ability to increase credit and redraw limits remotely.

Enhance staff training to recognise signs of financial abuse and respond effectively, especially in small business loan contexts, including speaking to joint debtors separately and at separate times.

Improve visibility and availability of specialist teams within financial institutions to assist victim-survivors earlier.

Provide independent interpreters, financial counsellors and legal services for victim-survivors, with funding support from financial institutions.

Enhance privacy and security measures to protect victims' information and prevent disclosure to perpetrators.

Utilise AI-driven fraud detection systems to proactively identify signs of financial abuse, such as sudden changes in account conduct, only one card used on a joint account, one person frequently checking balances or accessing online banking and other standard signals of financial hardship, and offer assistance to vulnerable customers.

Enhance collaboration between financial institutions and law enforcement to address technology-enabled abuse and fraud.

> *"I agree with asking at the start about what happens to the loan if the relationship fails, and improving customer education and the use of AI to look for emerging red flags and proactively but in a vanilla way reaching out to customers who may be suffering abuse so they don't get defensive and their perps aren't tipped off or feeling targeted."*

They were also asked about how credit providers should consider perpetrator accountability. The overarching priority was victim-survivor safety. Staff training and processes that enable an empathetic and quick response and which do not exacerbate the abuse were also important.

> *"Perpetrator accountability, respectfully that's a stupid question. I don't want my bank to be a policeman. My perp is a smooth-talker and he'd have them believing I'm the perp and that'd make things worse. I don't want them to hold him accountable, I just want them to stop enabling his abuse."*

> *"Fact is, abusers gonna abuse. They're like water, they'll find a way. So can credit providers stop it? Nope. Can they [credit providers] mitigate it? Hell yes. How? Not one size fits all, especially for CALD communities not born here and not good with English, but maybe use AI because they know their customers and look for the red flags. Educate. Tell us that the loan will probably last longer than the relationship at the outset and ask us to write down how we will pay it back if that happens because that'll make everyone think. Build it into product design. Put stuff about financial abuse and tech safety in plain view – have it on the phone waiting script, online and in e-statement messages, in the branch and everywhere – so make it normal awareness. Reach out and ask if we are OK if there are red flags and know we are gonna say we are fine when we aren't, but if they do that we are more likely to accept help and disclose the next time they contact us and that'll save everyone carnage including the bank given they wear the fraud and the bad media."*



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# Conclusion

The insights gleaned from victim-survivor interviews underscore the urgent need for credit providers to continue to improve their ability to recognise and respond to financial abuse effectively.

Perpetrator insights highlight the need for caution while dismantling the current credit system constructs that unintentionally enable financial abuse or make it difficult to disentangle from domestic abuse.

Further consultation with the community sector, including financial counsellors, community lawyers and the women's safety sector would provide additional perspectives, noting the small sample sizes of victim-survivors who participated in the research.

# Phase Two:
# Consultation



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# Workshop 1: Research playback

## Overview

The first workshop was convened virtually on 19 February 2024 and attended by more than 100 Arca members.

Following presentation of a summary of the domestic research results (Appendix A), members were asked to:

- Reflect on key research takeaways and the needs of customers experiencing domestic abuse from credit providers and reporting agencies
- Give their opinion on one change credit providers and reporting agencies could make to improve customer outcomes
- Identify any regulatory issues that may prevent credit providers or reporting agencies from making changes
- Specify any additional information they required.

## Research observations

Key themes emerged from the 37 open text responses relating to the main research takeaways:

- The impact of domestic abuse is complex, widespread and significant on women, including the extent of coerced debt, heightened risks related to online/digital channels and perpetrator knowledge and use of the credit system
- There is inconsistency between credit providers, with inadequate knowledge, guidance, staff training and processes – even where specialist teams have been established
- There is limited information for and education of victim-survivors on how the credit system works and help available from credit providers and reporting agencies.

*"Nothing is black and white, everything is so grey."*

*"Financial products are used as a survival tool as well as a manipulative tool."*

*"A great reminder of the vulnerabilities our customers can experience which customers must be very brave to bring to a bank's attention."*

*"Staff need to be fully trained in all areas on how to identify triggers and quickly get them to the specialised team who can help."*

## Customer needs

The Design and Distribution Obligation requires financial product issuers to "consider consumer vulnerabilities, and how those vulnerabilities may increase the risk that consumers are sold products that do not meet their objectives, financial situation and needs, and will lead to poor consumer outcomes."[10] This includes customers experiencing vulnerability, including domestic abuse.

Arca members provided 46 open text responses to the question: In your opinion, what do customers experiencing domestic abuse need from credit providers and reporting agencies?

The majority of responses (85%) focussed on the need for customers to engage with staff who are trained to:

- Understand domestic abuse
- Respond with empathy and discretion
- Provide flexible, accessible and safe solutions.

A number of responses (30%) identified the need for customers to be believed and not to have to repeat their experiences to multiple staff, with systems/technology that ensured information was flagged and treated confidentially. This could be complemented by more accessible education and information for customers. Some members also noted the need for customers to be treated as an individual, but stated this would require regulatory support.

*"Trust their experience and fast resolution. Not having to repeat their experience on multiple calls."*

*"Clear guidance (easy to find) on website ... supported by the financial firm with processes and training that works."*

*"Clear info on what credit providers can/can't help with."*

*"Staff skilled in domestic abuse. A suite of banking solutions depending on the circumstance of the individual. Confidence that their discussions won't get back to the perpetrator."*

*"To be believed, not have to jump through hoops to gain credibility."*

*A fast track solution to speak to the correct area."*

The International Standard on Consumer Vulnerability[11] includes requirements for frontline staff to be trained to recognise consumers with vulnerabilities that potentially affect their ability to interact with organisations and make them susceptible to harm. Industry codes covering Arca members also include commitments on staff training.[12]

Recommendation 1: Arca develop guidance on training for staff of members which addresses the customer needs identified in the lived experience research, relevant Codes and regulatory guidance. Consider development of a white-labelled module for members in order to drive consistency across industry.

Recommendation 2: Arca include information about the risks of joint debt and domestic abuse, including considerations for establishment and separation of accounts, on the CreditSmart website.

[10] RG 274 Product design and distribution obligations, Australian Securities and Investments Commission, 11 December 2020

[11] ISO 22458: Consumer vulnerability – Requirements and guidelines for the design and delivery of inclusive service

[12] For example: Customer Owned Banking Code of Practice 2022, Customer Owned Banking Association, October 2023; Banking Cod of Practice, Australian Banking Association, October 2021; Buy Now Pay Later Code of Practice, Australian Finance Industry Association, March 2021

## Potential changes

Members identified 25 potential changes to improve outcomes for customers experiencing domestic abuse, with open text responses mainly identifying improvements in customer service and consistency across the industry.

A number of members raised the need for industry standards and guidance, as well as the potential to share better practice so that credit providers could learn from others. A small number of suggestions related to product changes, such as a clause in terms and conditions for joint accounts that specifies what will happen in the case of separation. It was noted that credit providers, particularly smaller organisations, could benefit from a shared resource and improved external support.

Areas for further guidance included credit repair, how to remove parties from joint accounts, balancing of reasonable enquiries and bypassing poor credit scores incurred due to domestic abuse, and treating joint account holders as individuals.

## Regulatory impediments

Eleven open text responses identified challenges that would need to be overcome to improve outcomes for customers experiencing domestic abuse.

These included:

- Contractual obligations such as joint and several liability for joint debt
- Proscriptive regulations which don't foster risk-based approaches
- Credit provider and reporting systems based on account-level reporting rather than individual customers
- Balancing privacy and consent, to protect victim-survivor safety while ensuring consent and instructions of all account holders
- Potential for fraud if domestic abuse is not validated.

## Additional information

Members were invited to submit requests for further information, with 10 open text responses received. These related to:

- Improving understanding of industry and regulatory changes already made or underway, such as the impact of FHI/RHI suppression on victim-survivors
- Barriers to change beyond regulatory issues, such as current credit provider practices and assumptions and the use of mortgage brokers
- Opportunities to share better practice and to work collectively.

One respondent suggested a potential solution would be for regulators and/or the Australian Financial Complaints Authority to provide credit providers with the ability "to assess a credit/hardship request under a domestic abuse banner which adjusts normal expectations".

> *"Most things we do in banking requires us to validate information. This is extremely difficult/impossible in domestic abuse. How should we think about this?"*

> *"Is there an opportunity to work together (through Arca or another body) which will be more cost effective and efficient than all of us solving these issues separately?"*

# Member survey: Potential industry actions

## Overview

Insights from the first workshop activities informed a survey to members seeking views on proposed actions to respond to the needs of customers experiencing domestic abuse.

The survey sought responses on whether actions were best addressed by individual credit providers, an industry-wide approach led by AFCA or regulatory action. Members were also asked to rate the importance of each action for customers experiencing domestic abuse and how difficult they would be to implement.

Arca received 20 survey responses (Appendix B), including open text comments.

100% of respondents rated quick escalation to a specialist team as the highest priority action to address customer needs. The next highest ratings were for customers experiencing domestic abuse to have one contact person after the issue is first raised, to be believed and for information to be disclosed just once. All three actions were considered best addressed by individual credit providers.

*"An industry-wide approach usually follows prominent, mandated guidance like that tabled within the Banking Code of Practice."*

*"Majority needs to be a joint effort between credit providers and industry. It is a lot of capital and resource for credit bodies to carry alone and plus the problem trying to be solve is industry-wide so why not strive to have consistency through industry bodies, with regulator oversight, design and assist i.e. support funding to implement, spread costs."*

*"What a credit provider can do about liability for joint debt, and credit reporting on that joint debt, is limited by law. Without regulatory intervention, legal liability for joint debt remains even if the credit provider agrees not to enforce against one party, and CCR at an account level remains."*

Staff training and consumer education and information were rated as actions that could be undertaken individually or as an industry-led initiative.

Central hardship solutions covering multiple providers and clear information about what credit providers can and can't help with were rated as actions that were best addressed by industry or regulators.

The majority of actions were considered of high importance (>80%) for customers, with actions related to training, processes for entry and correction of credit reporting information and consumer education considered the easiest to implement. Credit reporting at an individual level was rated the most difficult to implement and of mid-importance to customers.

*"For Information about what happens to joint debt on separation (e.g. inclusion in T&Cs) - often customers think that because they have a court order to remove their name from the debt, that we have to abide by this, when the requirement (is) for the other party to payout the debt or refinance, we can't simply remove their name or liability from the account."*

*"All actions are important if committed to preventing, the challenge is for credit providers to absorb the implementation of the actions as it will be dependent on systems, resources and personnel to achieve the required uplift."*

*"Guidance (e.g., regulatory, legal or industry) on how to consider household living and dependent children expenses for a single applicant in a couple relationship - this is already in place Guidance (e.g., regulatory, legal or industry) on seeking consent of two parties where domestic abuse is present - this is ambiguous. Enhanced processes and outcomes for identifying and responding to perpetrators' inappropriate tactics - ambiguous to the extent of reach?"*

# Workshop 2: Industry perspectives

## Overview

The second workshop was convened virtually on 26 March 2024 and attended by about 60 Arca members, of which 25 participated in online survey activities.

The timing followed a media report of an expected parliamentary inquiry into the financial services' regulatory framework in relation to financial abuse in Australia.[13] The inquiry's terms of reference were announced in April 2024.[14]

Following presentation of a recap of research insights, summary of member survey results (Appendix B) and a high-level potential industry roadmap (Appendix C), members were asked to:

- Reflect on how the proposed roadmap aligned to victim-survivor needs
- Consider whether specific principles should be included in minimum industry standards and the benefits of particular guidance
- Consider potential options for responding to the specific customer needs: not to retell their story; and to achieve autonomy
- Identify process and system enhancements to protect victim-survivor safety and privacy.

## Proposed roadmap

Six open text responses were provided in response to the question related to alignment of the proposed roadmap with victim-survivor needs. Two emphasised the need for consistency across industry, and three noted that staff training was important. One suggested a deeper dive into issues related to secured products, noting implementation is simpler for unsecured products. Another suggested further work on how to ensure victim-survivors were not excluded from the credit market due to domestic abuse.

The majority of survey responses gave a high weighting to staff training to address customer needs.

## Industry standards

Members had mixed views on the inclusion of a number of principles that could be included in industry standards:

- Victim-survivors should not retell their story, with 57% agreeing it should be included and 43% unsure
- Victim-survivors not having to prove their circumstances, with 73% unsure and 27% agreeing it should be included. One participant noted that publishing this as a standard could risk abuse of the service offered by credit providers
- Expectations that victim-survivors should be referred to specialist teams, with 79% agreeing, 16% unsure and 5% (1 response) opposed.

It is instructive to note all three principles are addressed in existing guidance from the Australian Banking Association, which is considered by the Australian Financial Complaints Authority as industry better practice when determining dispute resolution.

The ABA guidance includes that banks should:

- Minimise the information that a customer is required to provide and the number of times a customer discloses the same information. Where possible and particularly in complex situations, customers should have consistency in speaking to one staff member or a single contact point (such as a specialist team)
- Work with customers to manage accounts that are held jointly and to manage liabilities in cases of financial hardship, including to accept a financial hardship request from a joint borrower without the consent of the other co-borrower
- Recognise that financial hardship can be caused by family and domestic violence and not require an intervention order as evidence of domestic abuse when assessing a hardship application.[15]

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[13] https://thewest.com.au/politics/federal-politics/inquiry-examines-how-banks-deal-with-being-on-the-frontline-of-domestic-violence-response-c-13944980

[14] https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/FinancialAbuse

[15] Industry Guideline: Preventing and responding to family and domestic violence, Australian Banking Association, April 2021

Some of these points are also reflected in AFCA guidance, including:

- Where a customer discloses family violence the financial firm should take this on face value and not require the customer to provide evidence, for example, in the form of an intervention order
- The financial firm must not require the vulnerable customer to contact a co-borrower to obtain information or consent in relation to a request for assistance
- Financial firms should minimise the number of times a customer needs to disclose their situation by, for example, having a dedicated staff contact.[16]

Recommendation 3: Arca facilitate sharing of industry better practice to address concerns and uncertainty that some members raised, promoting a shared understanding of how those covered by the ABA and AFCA guidance are managing implementation and fraud risks.

Recommendation 4: Arca considers research on the attitudes of member credit and hardship staff to violence against women and how this may impact credit reporting and hardship solutions.

## Industry guidance

The majority of members agreed it would be beneficial to have guidance on how to identify or respond to coerced or fraudulent debt (100%) and reasonable and appropriate approaches to credit reporting about victim-survivors (84%).

AFCA guidance includes that financial firms should:

- Take steps to act on warning signs of undue influence at the time of lending to help to prevent financial abuse
- Rectify debts incurred by customers where warning signs of domestic abuse were present at the time of lending
- Consider options for settling debts where there is joint and several liability, including agreements with one borrower only
- Consider whether it is appropriate to remove or refrain from entering credit information about a vulnerable borrower where domestic abuse is present.

Recommendation 5: Arca develops guidance for members on how credit providers should manage debts and credit reporting where customers experience domestic abuse, including case examples drawn from members and complaints made to AFCA.

16 The AFCA Approach to joint accounts and family violence, Australian Financial Complaints Authority, June 2022

## Customer needs

Members had mixed views on whether access to a central service would meet the need of victim-survivors not to retell their story, with 57% agreeing and 43% unsure.

In addition to the support from financial counsellors to customers experiencing financial difficulty, there are two existing not-for-profit community-industry partnership programs which address this issue:

- Way Forward Debt Solutions provides consumers with free negotiation services with creditors and referrals to financial counsellors
- Thriving Communities Partnership's One Stop One Story hub provides member businesses with a cross-sector digital platform that enables customers to be referred to other organisations for hardship and vulnerability support.

Recommendation 6: Arca seeks additional information from Way Forward and TCP about the efficacy of these solutions for customers and credit providers and provides this to members. Where there is clear mutual benefit, Arca to promote the adoption of both solutions as industry better practice.

When asked to rate the most preferable to achieve victim-survivor need for autonomy, 81% of members chose redesign of products that separate on relationship breakdown compared with 19% who chose credit reporting at an individual rather than account level.

Recommendation 7: Arca facilitates further discussion with members and consultation with other relevant industry associations, regulators and the community sector (consumer advocates and women's safety services) on a potential industry-wide approach to standard product terms that enable separation on relationship breakdown. This should include consideration of regulatory and systems requirements, and existing vs new product development.

## Process and system enhancements

Members provided seven open text suggestions for process and systems enhancements to better protect victim-survivor safety and privacy. These primarily related to enabling joint account holders to be treated as individuals in customer communications, account access and to have separate contact details. A number of members suggested system flagging of customers to enable both greater visibility and protection of customer requirements, plus manual handling of collections.

# Industry roadmap

## The first phase of the domestic abuse project observed there is an urgent need for credit providers to continue to improve their ability to recognise and respond to financial abuse effectively, while being mindful of perpetrator insights.

The second phase has highlighted the opportunity for Arca to drive greater consistency across credit providers and reporting agencies in both their understanding of and response to domestic abuse, in addition to seeking more substantial reform of the credit system for victim-survivors.

Members did not raise objections to the high-level industry roadmap with its outline of immediate, mid-term and end state actions.

However, given the mixed responses to whether industry standards should incorporate customer needs that were surfaced in the lived experience research and are already canvassed in other industry codes, there appears to be a need to educate Arca members further on the impact of domestic abuse on victim-survivors and how to make risk-based decisions on hardship and credit reporting solutions. It will be important to the successful implementation of a change program to establish a baseline level of understanding across the membership.

In developing industry guidance, Arca should facilitate member discussions under the Chatham House rule to promote positive inquiry and encourage constructive challenge to surface attitudes and processes that may be barriers to an industry-led response to domestic abuse.

Nevertheless, there is support for industry-led action to improve outcomes for victim-survivors, with a priority on staff training.

In the short term, development of industry guidance in the form of minimum standards or guidelines related to domestic abuse should include:

- The needs of customers experiencing domestic abuse
- Considerations relating to customers who use domestic abuse
- Topics for inclusion in staff training, including hardship and credit reporting.

Recommendation 8: Arca should develop guidance for members to drive consistency of member responses to victim-survivors of domestic abuse and consideration of perpetrator insights.

# Recommendations

Recommendation 1: Arca develop guidance on training for staff of members which addresses the customer needs identified in the lived experience research, relevant Codes and regulatory guidance. Consider development of a white-labelled module for members in order to drive consistency across industry.

Recommendation 2: Arca include information about the risks of joint debt and domestic abuse, including considerations for establishment and separation of accounts, on the CreditSmart website.

Recommendation 3: Arca facilitate sharing of industry better practice to address concerns and uncertainty that some members raised, promoting a shared understanding of how those covered by the ABA and AFCA guidance are managing implementation and fraud risks.

Recommendation 4: Arca considers research on the attitudes of member credit and hardship staff to violence against women and how this may impact credit reporting and hardship solutions.

Recommendation 5: Arca develops guidance for members on how credit providers should manage debts and credit reporting where customers experience domestic abuse, including case examples drawn from members and complaints made to AFCA.

Recommendation 6: Arca seeks additional information from Way Forward and TCP about the efficacy of these solutions for customers and credit providers and provides this to members. Where there is clear mutual benefit, ARCA to promote the adoption of both solutions as industry better practice.

Recommendation 7: Arca facilitates further discussion with members and consultation with other relevant industry associations, regulators and the community sector (consumer advocates and women's safety services) on a potential industry-wide approach to standard product terms that enable separation on relationship breakdown. This should include consideration of regulatory and systems requirements, and existing vs new product development.

Recommendation 8: Arca should develop guidance for members to drive consistency of member responses to victim-survivors of domestic abuse and consideration of perpetrator insights.

# Appendices



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# Appendix A: Lived experience insights summary

## Survey insights

- 75% of victim-survivors confident to describe a credit report and credit score
- 87.5% had been pressured to access or extend credit against their will, with almost two thirds (64.3%) related to credit cards.
- 43.8% had debt taken out in their name without their knowledge, primarily interest-free purchase or personal loans
- 53.3% said their credit report and score was impacted
- 53.3% used credit to manage or support their safety, primarily buy now pay later or credit cards
- Experiences with credit providers were mixed

## Perpetrator insights

- Domestic abuse perpetrators present in various ways
  - Common desire to control the victim-survivor – entitlement or response to powerlessness
- Financial abuse is one tactic of coercive control
  - May be informed by experiences of the credit system
  - Punitive, harsh or judgmental responses may trigger further abuse
- Changes in credit provider and systems responses will take time and require investment and courage
  - Safety must be at the centre
- Ideally the system would treat people as individuals within a partnership, not an enmeshed entity

## Interview insights (1/2)

| | Victim-Survivor Experiences | | | | |
|---|---|---|---|---|---|
| | Financial abuse | Psychological manipulation and coercion | Physical violence and intimidation | Coerced debt and fraudulent loans | Remote interactions |
| Perpetrator tactics | Knowingly exploiting financial products and processes, such as credit cards, personal loans, and joint accounts, to maintain control and perpetrate abuse. | Exploiting victims' fear and dependency by limiting their access to financial resources and information. | Using physical force or threats to control victims' financial decisions and access to resources. | Coercing victims into signing financial agreements or obtaining loans through deception or impersonation. | Exploiting remote banking practices and technology vulnerabilities to engage in financial abuse and coercion. |
| Victim-survivor safety considerations | Fear of escalation of abuse led victim-survivors to avoid discussing financial matters or seek practical online access to accounts. Lack of awareness about rights and available support services, particularly among migrant communities.<br>Language and cultural barriers hinder access to information and support. | Victims felt compelled to comply with perpetrators' demands to avoid escalation of abuse.<br>Limited understanding of financial rights and options for help.<br>Perpetrators exploiting victims' lack of familiarity with banking systems, compounded by inadequate accessibility and cultural adaptations of information materials. | Fear of physical harm or retaliation prevented victims from seeking help or disclosing abuse.<br>Lack of understanding about available assistance and legal protections.<br>Concerns about privacy and safety when seeking help from credit providers. | Victims often unaware of the debts and faced challenges in seeking assistance from credit providers.<br>Lack of awareness about financial rights and available support services.<br>Perpetrators exploiting victims' financial vulnerabilities and manipulating banking processes to maintain control. | Perpetrators took advantage of remote interactions to coerce victims into credit.<br>Victims faced challenges in proving fraudulent transactions and accessing assistance from credit providers.<br>Concerns about account compromise and technology-facilitated abuse heightened during pandemic lockdowns. |



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## Interview insights (2/2)

| | Victim-Survivor Experiences | | | | |
|---|---|---|---|---|---|
| | Financial abuse | Psychological manipulation and coercion | Physical violence and intimidation | Coerced debt and fraudulent loans | Remote interactions |
| Suggested changes | Redesign credit facilities for small family businesses to improve transparency for guarantors.<br>Implement measures to prevent remote credit limit increases and redraw applications on joint accounts.<br>Enhance staff training to recognise and respond to signs of financial abuse, especially in small business loan contexts.<br>Improve visibility and accessibility of educational materials about financial abuse and support services, including translation and cultural adaptation. | Provide independent financial counsellors and legal services for victims, with funding support from financial institutions.<br>Enhance visibility and availability of specialist teams within financial institutions to assist victims earlier.<br>Utilise AI to detect potential signs of financial abuse and proactively offer assistance to vulnerable customers.<br>Improve accessibility of educational materials and support services in community hubs and other non-bank channels. | Enhance privacy and security to protect victims' information and disclosure to perpetrators.<br>Ensure referrals to support services and specialist teams happen promptly and without compromising safety.<br>Establish clear protocols for handling disclosures of domestic abuse.<br>Provide education and training for staff to recognise signs of domestic abuse and respond appropriately. | Strengthen regulations and processes to prevent fraudulent loan applications and coerced debt.<br>Improve access to legal and financial counselling services for victims, with emphasis on early intervention and support.<br>Enhance customer education on recognising signs of coercion and fraud.<br>Establish dedicated teams within financial institutions to handle disclosures of family violence and provide specialised support for victims. | Strengthen authentication and verification procedures to prevent impersonation and unauthorized transactions.<br>Provide education and support for victims on securing their devices and personal information against exploitation.<br>Implement proactive measures to detect and prevent financial abuse in remote banking environments, such as AI-driven fraud detection systems.<br>Enhance collaboration between financial institutions and law enforcement to address technology-enabled abuse and fraud. |



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# Appendix B: Research insights summary

| Victim-Survivor Experiences | Financial abuse | Psychological manipulation and coercion | Physical violence and intimidation | Coerced debt and fraudulent loans | Remote interactions |
|---|---|---|---|---|---|
| Perpetrator tactics | Knowingly exploiting financial products and processes, such as credit cards, personal loans, and joint accounts, to maintain control and perpetrate abuse. | Exploiting victims' fear and dependency by limiting their access to financial resources and information. | Using physical force or threats to control victims' financial decisions and access to resources. | Coercing victims into signing financial agreements or obtaining loans through deception or impersonation. | Exploiting remote banking practices and technology vulnerabilities to engage in financial abuse and coercion. |
| Victim-survivor safety considerations | Fear of escalation of abuse led victim-survivors to avoid discussing financial matters or seek practical online access to accounts. Lack of awareness about rights and available support services, particularly among migrant communities.<br>Language and cultural barriers hinder access to information and support. | Victims felt compelled to comply with perpetrators' demands to avoid escalation of abuse.<br>Limited understanding of financial rights and options for help.<br>Perpetrators exploiting victims' lack of familiarity with banking systems, compounded by inadequate accessibility and cultural adaptations of information materials. | Fear of physical harm or retaliation prevented victims from seeking help or disclosing abuse.<br>Lack of understanding about available assistance and legal protections.<br>Concerns about privacy and safety when seeking help from credit providers. | Victims often unaware of the debts and faced challenges in seeking assistance from credit providers.<br>Lack of awareness about financial rights and available support services.<br>Perpetrators exploiting victims' financial vulnerabilities and manipulating banking processes to maintain control. | Perpetrators took advantage of remote interactions to coerce victims into credit.<br>Victims faced challenges in proving fraudulent transactions and accessing assistance from credit providers.<br>Concerns about account compromise and technology-facilitated abuse heightened during pandemic lockdowns. |



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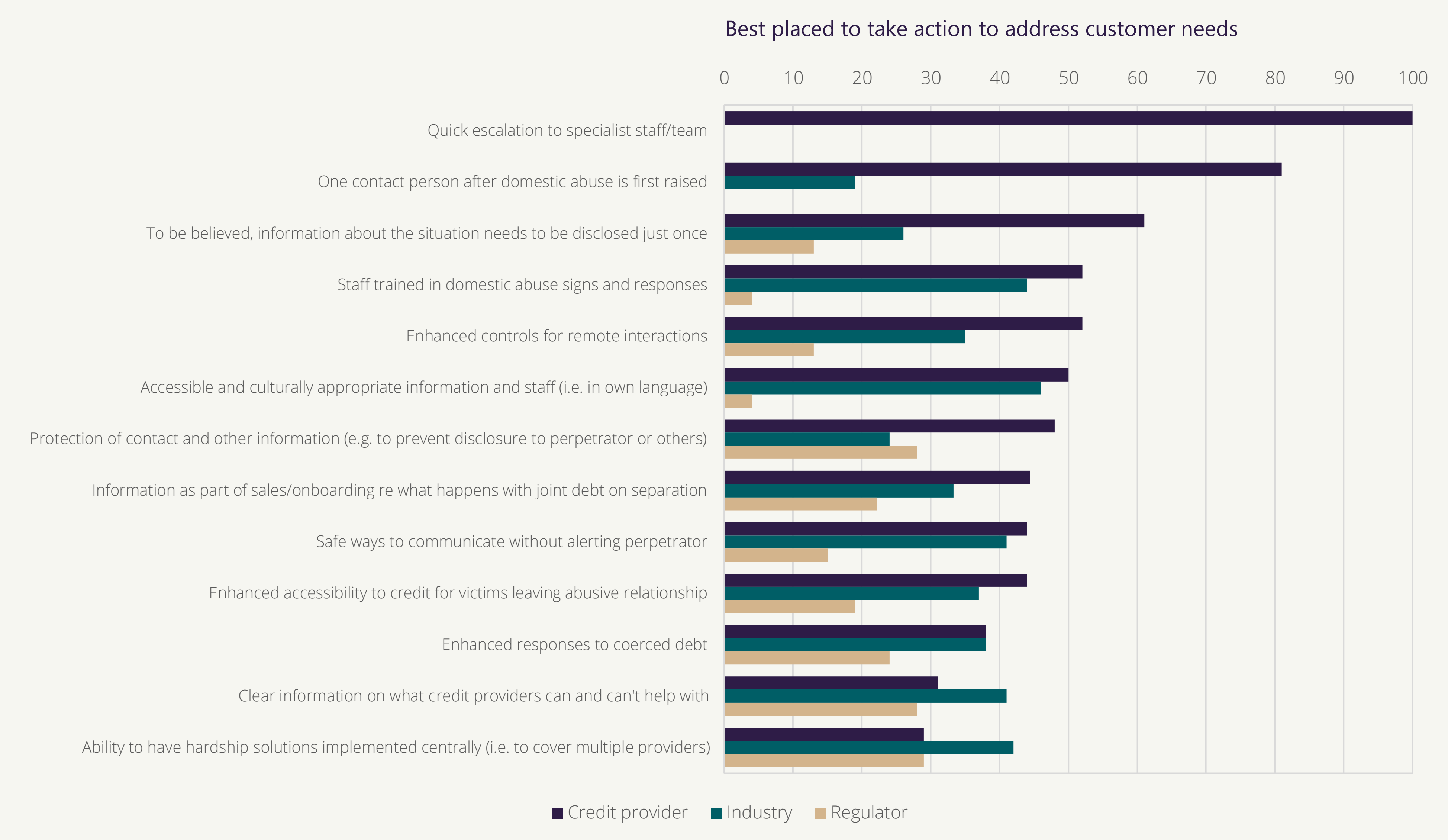
| Victim-Survivor Experiences | Financial abuse | Psychological manipulation and coercion | Physical violence and intimidation | Coerced debt and fraudulent loans | Remote interactions |
|---|---|---|---|---|---|
| Suggested changes | Redesign credit facilities for small family businesses to improve transparency for guarantors.<br>Implement measures to prevent remote credit limit increases and redraw applications on joint accounts.<br>Enhance staff training to recognise and respond to signs of financial abuse, especially in small business loan contexts.<br>Improve visibility and accessibility of educational materials about financial abuse and support services, including translation and cultural adaptation. | Provide independent financial counsellors and legal services for victims, with funding support from financial institutions.<br>Enhance visibility and availability of specialist teams within financial institutions to assist victims earlier.<br>Utilise AI to detect potential signs of financial abuse and proactively offer assistance to vulnerable customers.<br>Improve accessibility of educational materials and support services in community hubs and other non-bank channels. | Enhance privacy and security to protect victims' information and disclosure to perpetrators.<br>Ensure referrals to support services and specialist teams happen promptly and without compromising safety.<br>Establish clear protocols for handling disclosures of domestic abuse.<br>Provide education and training for staff to recognise signs of domestic abuse and respond appropriately. | Strengthen regulations and processes to prevent fraudulent loan applications and coerced debt.<br>Improve access to legal and financial counseling services for victims, with emphasis on early intervention and support.<br>Enhance customer education on recognising signs of coercion and fraud.<br>Establish dedicated teams within financial institutions to handle disclosures of family violence and provide specialised support for victims. | Strengthen authentication and verification procedures to prevent impersonation and unauthorized transactions.<br>Provide education and support for victims on securing their devices and personal information against exploitation.<br>Implement proactive measures to detect and prevent financial abuse in remote banking environments, such as AI-driven fraud detection systems.<br>Enhance collaboration between financial institutions and law enforcement to address technology-enabled abuse and fraud. |

# Appendix C: Member survey



| Activity | Importance | Difficulty of implementation |
|---|---|---|
| Training for credit provider staff on how to escalate to specialists/teams | 5 | 2 |
| Cross-industry sharing of better practice | 5 | 2 |
| Training for credit provider staff on external support | 4.5 | 2 |
| Training for credit provider staff on domestic abuse, including re signs and triggers of abuse and responses | 5 | 2.5 |
| Training for external support services on who to refer to at credit provider | 4.5 | 2.5 |
| Information about what happens to joint debt on separation (e.g. inclusion in T&Cs) | 4.5 | 2.5 |
| Review of experiences of suppression of FHI/RHI on victim-survivors | 4 | 2.5 |
| Clearer processes for entry and correction of credit reporting information | 4 | 2.5 |
| Better education resources for customers, that are more readily available at key points of credit relationship | 4 | 2.5 |
| Ability to stop letters from being sent to all parties | 5 | 3 |
| Information for mortgage brokers on domestic abuse and credit | 4.5 | 3 |
| Enhanced processes and outcomes for identifying and responding to coerced debt | 4.5 | 3 |
| Enhanced processes and outcomes for identifying and responding to perpetrators' inappropriate tactics | 4.5 | 3 |
| Review of efficacy of current credit provider processes | 4 | 3 |
| Enhanced mechanisms for monitoring policies, procedures and processes for efficiency and effectiveness | 4 | 3 |
| Guidance (e.g. regulatory, legal or industry) on how to consider household living and dependent children expenses for a single applicant in a couple relationship | 3.5 | 3 |
| Clearer guidelines re waiver of fraudulent debt | 3.5 | 3 |
| Processes/systems that protect victim/survivor privacy and safety | 5 | 3.5 |
| Industry-agreed minimum standards for dealing with, and staff training on, domestic abuse | 4.5 | 3.5 |
| Guidance (e.g. regulatory, legal or industry) on how to 'validate' customer disclosure of domestic abuse | 4.5 | 3.5 |
| Credit applications where credit report has domestic abuse flags to be handled manually (similar to a ban) | 4 | 4 |
| Central service for victim-survivors to contact, rather than each having own team | 3.5 | 4 |
| Guidance (e.g. regulatory, legal or industry) on seeking consent of two parties where domestic abuse is present | 4.5 | 4.5 |
| Credit reporting at an individual level, rather than at an account level | 3.5 | 5 |

# Appendix D: Potential roadmap

## Immediate

- Training for credit provider staff
- Cross industry sharing of better practice
- Information/education for consumers
- Clearer processes for entry/correction of credit reporting info

## Mid-term

- Processes/systems that protect privacy and safety (e.g. ability to stop letters sent to all parties)
- Information for mortgage brokers
- Enhanced processes/outcomes
- Review/enhanced monitoring of current processes

## End state

- Guidance on expenses, debt waivers, 'validation' of customer disclosures, seeking consent
- Industry standards
- Manual flagging
- Central service
- Individual credit reporting

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