



# Submission to the Council of Financial Regulators on access to basic transaction accounts June 2025

## Introduction

We would like to thank the Council of Financial Regulators (CoFR) for the opportunity to provide input on this issue.

The National Collective of Independent Women's Refuges (NCIWR) is a non-governmental organisation that has delivered services to women, children, and whānau affected by family violence in Aotearoa for 50 years. We represent victim-survivors of family violence, specifically wāhine and tamariki, who are the primary groups subjected to and impacted by family violence.

Family violence frequently involves some form of economic abuse, and financial instability is inextricably linked to the ongoing risk of family violence. Economic abuse is one of the most common means through which perpetrators of intimate partner violence assume control and exercise power over their victims.<sup>1</sup>

The March 2025 research 'First steps to financial inclusion' research briefly mentions that "victims of domestic violence and abuse" are among the groups that face barriers to opening bank accounts (page 24). However, this group is omitted from the April 2025 Issues Paper: Access to Basic Transaction Accounts. It is essential that the rights and needs of victims of family violence are not further excluded in consultation and policy about access to basic transaction accounts.

As the largest family violence organisation aimed at supporting victims' safety, we have access to comprehensive data relating to thousands of family violence victims. This data provides context and insight into how family violence leads to economic instability and impedes financial inclusion for victims.

Our feedback and recommendations for improving the financial sectors' response to family violence are informed by Women's Refuge's family violence specialist research, including:

- Women's Experiences of Economic Abuse in Aotearoa New Zealand (2020)
- Rethinking 'risk': data-driven risk analysis in family violence (2023)
- Safer when, safer how: family violence risk and safety (2025)
- Women's Refuge client risk data (2024) Unpublished
- Traumatic Brain Injury and Intimate Partner Violence in Aotearoa (2025)

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<sup>1</sup> Milne, S., Maury, S., Gulliver, P., & Eccleton, N. (2018). Economic abuse in New Zealand: towards an understanding and response. Good Shepherd: Australia, New Zealand.



## Background about family violence, economic abuse and economic harm

For victims of family violence, financial inclusion is essential for financial independence and stability. Removing barriers to accessing basic transaction accounts is more than a 'nice to have' for many victims of family violence, it is an integral part of achieving safety and recovery from violence.

To highlight the issue of economic abuse and the subsequent barriers to safety and wellbeing for victims, we first draw on our client risk data. Of 1250 clients who accessed Women's Refuge in 2024:

	<b>Percentage who answered YES</b> (of those answering the question)
Has her (ex-) partner stopped her from having her own money?	50.7% (540)
Has her (ex-) partner excluded her from decisions about shared or household money?	54.2% (547)

We also draw on our Family Violence Risk and Safety research (2025), which surveyed 1707 women and non-binary victims of violence. They were asked 'Which of the following have you experienced because of your (ex-) partner's violence and abuse?':

	<b>Percentage who answered YES</b> (of those answering the question)
I've ended up in debt that I would not have otherwise had	62.6% (1054)
I've had difficulty getting my benefits, entitlements, or child support	26.8% (452)
My online access to everyday accounts (e.g. email, IRD, MSD) took lots of effort to straighten out	19.2% (323)
I've been unable to get to or use important documents, like my birth certificate	12.9% (218)

The above data shows how intimate partner violence commonly includes various forms of economic or financial abuse, which makes it more difficult for victims to separate, become safe, or establish independence from their abuser. Economic abuse frequently causes harm that lasts long after victims become physically safe.

In practical terms, this means that victims often experience a range of barriers to accessing their own basic transaction account, including:

- No access to ID – it may have been taken, hidden, or destroyed by perpetrator, and the perpetrator may not allow her to get or replace ID
- No ID and no means to pay for ID replacement – because the perpetrator controls the finances
- No proof of address - if all accounts are in the partner's name as a means of control
- No experience with personal banking - no knowledge about how to do it, fear and lack of confidence as finances have been strictly controlled by their partner
- No money for or access to transport to get to in-person appointments - particularly a barrier when victim has care of young children
- Being monitored and stalked by a perpetrator who restricts her activities and does not allow her to have a bank account in her name



- Victim concerns that her spouse may be notified if she opens her own account
- Her online accounts, including online banking, are restricted or monitored by perpetrator

Further to the barriers created by perpetrators' economic abuse, are the physical, emotional, and cognitive barriers that exist because of family violence victimisation. These impact both a victim's capacity to access and engage with services, and the way in which people, services, and systems respond to them. For example, brain injury is common for victims of family violence, both as a result of blows to the head as well as due to strangulation or suffocation which starves the brain of oxygen.

Brain injuries commonly cause headaches and fatigue; light-headedness and balance problems; difficulty with cognitive processing; light sensitivity; difficulty with memory, focus and attention span; and irritability. These impacts, combined with being abused, controlled, isolated, stalked or monitored, and discredited by their abuser, mean victims have multiple, overlapping barriers to financial inclusion, including:

- Communication barriers due to brain injury, trauma/PTSD, English as a second language or other disability
- Difficulty with attending appointments
- Difficulty retrieving document, and remembering to bring required documents to appointments
- Difficulty with completing forms, processing and retaining information or instructions, completing multiple or sequential tasks, and using online systems
- Services frequently misinterpreting these symptoms as victims being intoxicated, belligerent, non-communicative, or believing they are lying or are not credible.

*"I can't drive due to double vision. I struggle with video and phone calls. I have engaged support to do the banking to pay the debts cos I can't see well enough to ensure the account number is entered correctly!" (victim with a traumatic brain injury)*

Being a victim of family violence creates significant disadvantage. It can limit capacity and functioning and make it much harder to fulfil the bureaucratic requirements involved in financial inclusion. This means that victims with a family violence inflicted brain injury are even less able to access support, become safe, and achieve financial independence. These barriers currently stand between them and effective pathways to essential financial inclusion.

## Submission Questions

### 1. Do you agree this Issues Paper identifies the key problems associated with access to transaction accounts in Aotearoa New Zealand?

The Issues Paper omits victims of family violence as a key population group affected by exclusion from basic transaction accounts. So, while the Paper identifies key issues for a number of groups, it currently excludes the specific context of economic abuse and family violence which need to be understood and included to best cater to this at-risk group.



**2. Do you agree that efforts should be taken by banks and regulators to improve access to transaction accounts in Aotearoa New Zealand?**

Absolutely. A small number of banks have been proactive about improving processes for victims of family violence to access basic transaction accounts, but most have not done anything to reduce barriers to access for this enormously at-risk group.

**3. Do you agree with the definition of a basic transaction account used in this Issues Paper?**

Yes

**4. Do you agree with our objective to improve access to transaction accounts through promoting the widespread availability of basic transaction accounts?**

Yes

**5. Do you agree that all New Zealanders should have the right to access a basic transaction account?**

Yes

**6. What features do you think a basic transaction account should have? (see page 30 of the Issues Paper for more information)**

It is sensible to have basic features which allow banks to be less restrictive in allowing access to basic transaction accounts, but it is also sensible to allow an option for a period of time to provide standard forms of ID and proof of address in order to access standard types of accounts without these features. Many victims of family violence are employed or employable once they are free from restrictions imposed by a coercive controlling partner or family member. For these victims, during the period of time it takes to separate their lives from the perpetrator, and to be able to do this safely, they may need:

- banks to allow them to open an account without ID
- access to funds to pay for ID replacement
- the ability to consent to someone like a trusted family member, friend or advocate to communicate on their behalf with their bank and/or deliver documents

**7. Which of the following approaches do you think would be most effective in Aotearoa New Zealand to make basic transaction accounts widely available? • Regulatory requirements • Industry-led • Hybrid approach**

We strongly recommend *regulatory requirements* for basic transaction accounts to make it as straightforward as possible for victims of family violence to open a basic transaction account at any bank they visit. Victims spend time and energy (10 - 20 hours per month for an average of 7.4 months accessing services because of family violence, according to our Family Violence Risk and Safety research (2025). Any approach that limits the time burden of finding a bank that will support them, especially while they are in crisis, will best support their safety and wellbeing. This is a basic stepping stone to independence, autonomy and safety, and should be a basic right available through all banks.

**8. Do you have any suggestions on how to improve access to basic transaction accounts that are not outlined in the Issues Paper?**

Yes, particularly for victims of family violence, we recommend that banks:

- upskill senior staff as internal subject matter experts (SMEs) or champions on family violence who can be available to support customers experiencing family violence with banking issues related to family violence and support frontline staff to respond well to these customers, so that staff respond with empathy, without judgement, and take extra



time to communicate information if a customer is struggling to understand because of trauma, stress, exhaustion, fear, brain injury or other impairments

- provide a basic level of training on family violence for all frontline staff so they can recognise that coercive control and economic abuse, in particular, impact customers who use their services
- ensure that victims' contact information will be kept private, especially their physical address, from their spouse/partner who may be a joint account holder
- have a policy for branches when customers disclose family violence OR disclose a head/brain injury, for:
  - offering a private and quiet space to talk to them, where they will not worry about having others overhear sensitive information, and be protected from sensory overload if they struggle cognitively due to a brain injury or other trauma
  - offering information about family violence helplines and offering for them to use a private space in the bank to contact a helpline
  - believing a customer's disclosure of family violence, without requiring proof beyond what the customer has disclosed, to enact any available supports
  - ensuring the customer's address and contact details are stored securely and cannot be shared with their abuser, particularly if that person is their spouse or joint account holder
- Allow victims of family violence the option to open a new account without visiting a branch in-person when they may have small children, no transport and many other issues that need their urgent attention, e.g.:
  - Offering a virtual meeting, providing signature electronically or via post
  - Enable trusted others (e.g. a family violence advocate) to act on behalf of victim with their signed consent to communicate with the bank, to minimise the burden on a victim at a time of crisis (e.g., when she may have no transportation, childcare, leave from work)

## Other related financial inclusion issues

We commend the Council of Financial Regulators and the Reserve Bank of New Zealand for your work to enable universal access to basic transaction accounts in New Zealand.

We strongly encourage you to looking into other financial inclusion issues that are particularly relevant for victims of family violence, including victims' needs for:

- Debt caused by economic abuse to be reduced or eliminated and to prevent a poor credit history that causes longterm harm through no fault of the customer. Some banks have processes for recognising when debt is coerced and working to either reduce or wipe the debt – whether it is all in victim's name or joint debt. Victims sometimes don't know about debt created by their partner in their name, or may not have been able to refuse taking on the debt because of coercion (i.e. fear they may be harmed physically or in other ways), or they may consent to joint debt but be left as solely responsible to pay it off because of concern about



their credit history and an inability to separate/close a joint account without permission from their (ex-) partner.

- Banks to note 'through no fault of the customer' on the credit report when they (partially or wholly) forgive coerced debt, to prevent a bad credit rating from causing long-term harm for a victim
- Bank processes and training to recognise and prevent coerced debt. If staff recognise signs of economic abuse, it would help to have standards for meeting separately with joint applicants and giving the victim an option of having the lender deny the loan without saying to the partner that the victim wants the loan denied, for their safety.
- The ability to close joint accounts without signature/agreement from joint account holder. This seems to be an issue at many banks, while some banks have a workaround when they are aware it is a family violence situation. It would be helpful for victims to enable joint accounts to be closed without any bank requiring both account holders to be present in-person for their signatures, and without requiring consent from both parties if there is a disclosure of family violence or economic abuse.
- Bank processes to screen banking transaction references for abusive messages, with consequences for the person leaving the message depending on content of message and the victim's wishes.
- Bank processes to ensure that banks ring 111 for police when there is immediate risk to a customer, and that if there is not immediate risk, they do not contact police without permission of customer.

## Closing

Please contact us at [Research@refuge.org.nz](mailto:Research@refuge.org.nz) for clarification about any of the points in our submission.