

## Clinks briefing about the nature of the relationship between debt and women's offending

April 2014

### About this briefing

This briefing examines the relationship between debt and financial issues and women's offending. It focuses on case study examples submitted to Clinks by our members, and follows our response to the Sentencing Council's Fraud, Bribery and Money Laundering Offences Guideline consultation, and our recent briefing on the Government's response to the Justice Select Committee's report on Women Offenders and the Women's Custodial Estate Review. Clinks director Clive Martin also sits on the Advisory Board for Female Offenders.

There is a plethora of evidence that demonstrates the complex relationship between experiencing financial problems and women's offending, as summarised by academic researcher Dr Laura Caulfield: 'there is no debate that financial problems are a criminogenic<sup>1</sup> need for female offenders, and it is well established...that women typically carry many financial burdens prior to imprisonment.'<sup>2</sup>

The briefing also draws on evidence from Clinks' ongoing research into the current experience of projects providing community-based female offender services. A total of nine projects, from both the voluntary<sup>3</sup> and statutory sector were interviewed twice for the study. The first round of interviews took place in the spring and summer 2013, with the main findings reflected in the interim report entitled 'Run Ragged: The current experience of projects providing community based female offender support services'<sup>4</sup>. The second round of interviews took place in autumn and winter 2013 and will inform the final report, due to be published in May 2014.

The briefing is also informed by findings from a previous consultation with our members for a Task and Finish Group paper on women and girls in the Criminal Justice System (CJS). This was produced on behalf of the Ministry of Justice Reducing Reoffending Third Sector Advisory Group (RR3), which Clinks chairs<sup>5</sup>.

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<sup>1</sup> Criminogenic needs are defined as needs which are known to influence criminal behaviour

<sup>2</sup> Caulfield, L. (2012) *Life histories of women who offend: a study of women in English prisons*, Online: <https://dspace.lboro.ac.uk/dspace-jspui/handle/2134/10178>, [last accessed 19.03.2014].

<sup>3</sup> Clinks uses the term voluntary sector to include voluntary, community and social enterprise sector organisations.

<sup>4</sup> Clinks (2014) *Run Ragged: The current experience of projects providing community based female offender support services*, Online: <http://www.clinks.org/sites/default/files/basic/filesdownloads/Run%20Ragged%20Interim%20Report%20February%202014.pdf> [last accessed 19.03.14].

<sup>5</sup> RR3 Task and Finish Group (2012) *Breaking the Cycle of Women's Offending: A system re-design*, Online: [http://www.clinks.org/sites/default/files/null/RR3%20Paper%20on%20Women\\_1.pdf](http://www.clinks.org/sites/default/files/null/RR3%20Paper%20on%20Women_1.pdf) [last accessed 19.03.14]

*Acquisitive crime and the current policy climate*

It is established that most women who enter the CJS have committed acquisitive crimes, and that many have experienced long-term poverty and debts.<sup>6</sup> For girls, displaying 'problematic behaviour' is often a sign that they have welfare needs including poverty, which have not been addressed.<sup>7</sup> As Professor Carol Hedderman states 'most female offending is acquisitive. It may therefore seem rather obvious to note that their offending is associated with experiencing financial difficulties.'<sup>8</sup>

In the current economic climate, female offenders' experiences of financial difficulties are being exacerbated, with the New Economics Foundation stating that the austerity measures and welfare reform are having a disproportionate impact on women.<sup>9</sup> In a similar vein, the RR3 Task and Finish Group paper entitled 'Breaking the cycle of female offending' suggests that the difficulties facing services providing assistance with benefits and debt advice, housing support and mental health in the community are having a greater impact on women than men.<sup>10</sup>

A key finding from Clinks' research into the experience of community projects working with female offenders is that 'there is an emergent crisis amongst service users, as a result of current austerity measures, most significantly welfare changes; including rising debt, an inability to purchase food, increased anxiety, self-harm and depression.'<sup>11</sup> Projects interviewed for the research also outlined that their referrals to foodbanks had quadrupled and that debt issues experienced by their clients had become so prominent that they had become a regular agenda item during team meetings. Projects also outlined that they are increasingly using emergency funds, not to help women 'get back on their feet' but to buy food and pay bills to ensure their clients are kept 'afloat'.<sup>12</sup> Another project said that they had seen a rise in the number of their clients taking out payday loans.

In response to the increasing financial needs of their clients, one project is specifically training staff to have advanced knowledge of the benefits system and others are becoming increasingly

<sup>6</sup> Criminal Justice Joint Inspection (2011) *Thematic Inspection Report: Equal but different? An inspection of the use of alternatives to custody for women offenders*, Online:

<http://www.justice.gov.uk/downloads/publications/inspectorate-reports/hmiprobation/joint-thematic/womens-thematic-alternatives-to-custody-2011.pdf> [last accessed 19.03.2014]

<sup>7</sup> All Parliamentary Group on Girls in the Penal System (2012) *Keeping Girls out of the penal system*. Online:

[http://www.howardleague.org/fileadmin/howard\\_league/user/pdf/Publications/Keeping\\_girls\\_out\\_of\\_the\\_penal\\_system.pdf](http://www.howardleague.org/fileadmin/howard_league/user/pdf/Publications/Keeping_girls_out_of_the_penal_system.pdf) [last accessed 19.03.2014]

<sup>8</sup> Hedderman, C. (2004:235) as cited in Caulfield, L. (2012) *Life histories of women who offend: a study of women in English prisons*, Online: <https://dspace.lboro.ac.uk/dspace-jspui/handle/2134/10178>, [last accessed 19.03.14].

<sup>9</sup> New Economics Foundation (2013) *Surviving Austerity: Local voices and local action in England's poorest neighbourhoods*, Online: [http://s.bsd.net/nefoundation/default/page/file/630d61e59ee7ff259a\\_ibm6bujah.pdf](http://s.bsd.net/nefoundation/default/page/file/630d61e59ee7ff259a_ibm6bujah.pdf) [last accessed 19.03.14].

<sup>10</sup> RR3 Task and Finish Group (2012) *Breaking the Cycle of Women's Offending: A system re-design*, Online: [http://www.clinks.org/sites/default/files/null/RR3%20Paper%20on%20Women\\_1.pdf](http://www.clinks.org/sites/default/files/null/RR3%20Paper%20on%20Women_1.pdf) [last accessed 19.03.14]

<sup>11</sup> Clinks (2014) *Run Ragged: The current experience of projects providing community based female offender support services*, Online: <http://www.clinks.org/sites/default/files/basic/files-downloads/Run%20Ragged%20Interim%20Report%20February%202014.pdf> [last accessed 19.03.14]

<sup>12</sup> *ibid*

involved in supporting service users appealing benefit decisions. In addition, some have said they are finding that fewer benefit appeals are successful, and have seen an increase in benefit claims being refused.

### *Relationships and domestic situation*

Experiencing debt and financial issues that can lead to offending is often tied up with a woman's domestic situation. The National Offender Management Service (NOMS) highlights that 'women may be under pressure as parents, or from partners, to provide for their families and thus may perceive theft/ fraud or sex work as means of survival.'<sup>13</sup> This is supported by a Joint Inspectorate report that states women's offending is typified by crimes including benefit fraud and shoplifting which can be driven by the woman's need to support her family. The report goes on to show a perception, from judges in particular, that a woman's offending is 'bound up with her domestic situation' such as poverty and/or relationships and abuse.<sup>14</sup>

Caulfield's research examining the life experiences of women in prison also shows the relationship between a woman's financial situation, debt and offending.<sup>15</sup> Of the women in the study, seven felt the financial problems they experienced were due to their partner. One woman's experience serves as a useful case study, as she had committed an offence and was in prison due to her partner's debt problems. Her experience is as follows:

*'And then while he was in prison he got into debt, and I had a phone call saying he was in debt, and these people, not friends of his but somebody he knew in there, who had people on the outside, give them the keys to the car, and the logbook, and that will be the debt sorted. He gave them my address, a stupid thing to do, but anyway, they came round. I gave them the logbook and the keys to the car, and the long and the short of it is they threatened me and threatened my daughter, smashed the car up, wrecked the house, and just said that if I knew what was good for me I'd take this package into the prison, to get the debt sorted. They frightened me to death, and I lived in fear.'*

Another woman in the study highlights that during a relationship her partner suffered from poor mental health, drug problems and poor financial management skills. This led to her experiencing debt, but she 'remained in the relationship for a very long time as she felt he needed the support she offered.' Drug problems experienced by a partner also contributed to a third woman in the study not only experiencing financial problems but also having to leave her home. She says:

*'I had to leave my own property and give everything up ... He wouldn't get out and then he made the claim that, he had never paid for anything it was all in my name, he made the claim that he actually paid for half of the house. And tried to take off...my money all off me. But in the end he wrote up loads of debts and so I left the place for about two years because he was just an absolute nightmare.'*

<sup>13</sup> National Offender Management Service (2012:35) *A distinct approach: A guide to working with women offenders*, Online: <http://www.justice.gov.uk/downloads/publications/noms/2012/guide-working-with-women-offenders.pdf> [last accessed 19.03.2014]

<sup>14</sup> Criminal Justice Joint Inspection (2011) *Thematic Inspection Report: Equal but different? An inspection of the use of alternatives to custody for women offenders*, Online: <http://www.justice.gov.uk/downloads/publications/inspectorate-reports/hmiprobation/joint-thematic/womens-thematic-alternatives-to-custody-2011.pdf> [last accessed 19.03.2014]

<sup>15</sup> Caulfield, L. (2012) *Life histories of women who offend: a study of women in English prisons*, Online: <https://dspace.lboro.ac.uk/dspace-jspui/handle/2134/10178>, [last accessed 19.03.2014].

### Welfare reform

Many projects in the Clinks research felt that welfare reform, especially the spare room subsidy or 'bedroom tax', were having a huge impact on the financial difficulties experienced by their female clients. The spare room subsidy was introduced in April 2013 and means that council and housing association tenants have their housing benefit entitlement reduced if their home is deemed too big for them under new rules. Clinks' research found that this impact is especially felt in areas where there is a shortage of appropriate accommodation, such as Wales, where one project said that their clients are 'being penalised for the fact that they can't move.'<sup>16</sup>

One of the interviews from Clinks' research demonstrates clearly an example of how this issue has impacted upon debt issues experienced by their service users:

*'I have noticed a big increase in people getting into debt because of the bedroom tax; that's just had an instantly massive impact. ...I've been supporting a woman who is in a three-bedroom house with her adult son. Now, he is being violent towards her; he's an alcoholic and she's scared of him. She has been getting more and more into arrears because of the bedroom tax, and he's not paying any of his benefits to her; he's an adult non-dependent...So she ends up in court, she ends up in court, effectively because she's got an abusive son who won't give her the money that he should be giving to her... I've come across enough women where they've had an adult child living with them refusing to contribute to the household, and it's all around the confidence of that woman, and either an actually abusive, or borderline abusive, relationship that has developed with her adult child.'*

Another Clinks member outlined that they have recently seen an increase in referrals for women involved in sex work as a result of debt problems:

*'...we are also seeing an increase in street sex working and those performing sexual 'favours' in return for essentials. Clients report this is directly linked to welfare reform, benefit sanctions and the bedroom tax - which often leads to them taking out high interest unsecured loans to cover for the shortfall in benefits, leading to increased instances of sex work.'*

### Mental health

One project involved in the Clinks research found that experiencing debt and financial issues could have a detrimental impact on a woman's mental health, which could then lead them to offend. They said that although the crises many service users had experienced over past few months had calmed slightly as 'people have adapted and adjusted to the [government policy] changes... they are in debt and are just increasingly getting in debt, which is affecting their mental health. It becomes quite a bad spiral.'<sup>17</sup> This is supported by case study evidence sent to Clinks from one of our members, a housing association. They said that one of their clients:

*'prioritises her spending by sorting her bills first but often realises she doesn't have much left before her next pay day. This usually causes more mental stress and anxiety than normal. Whenever [the client] is highly stressed mentally, the risk of re-offending increases to a very high level and this fact is based on her past offending history.'*

<sup>16</sup> Unpublished Clinks research; taken from an interview that will form part of the final report, following on from 'Run Ragged'. See footnote 11

<sup>17</sup> *ibid*

The case study goes on to outline that experiencing stress and anxiety can lead the client to spend much of her income on alcohol, as drinking alcohol is one of the main ways she was able to calm herself. Substance misuse is another criminogenic need and can be a causal factor in an individual's offending.

Another case study from the housing association also demonstrates how debt issues can become stressful for their clients and could lead to them committing further offences:

*'[the client] finds discussing money and discussing debts very stressful and in the past it has made her lash out and be offensive towards staff which ultimately puts her tenancy in jeopardy and thus could lead to [her] re-offending due to homelessness.'*

## Conclusion

The evidence shows that the relationship between financial problems and women's offending is complex. At times, this relationship is direct, such as when women commit minor theft or benefit fraud in order to support their families. Additionally, however, having debt issues can lead to a woman experiencing stress, poor mental health and substance misuse problems, which can in turn make her more likely to offend.

Given this link, and compelling evidence to suggest that women are being disproportionately affected by the current economic challenges, Clinks would suggest there is a demonstrable need for policy initiatives to address the financial difficulties faced by women. We also recommend that increased support to organisations offering advice and emergency provision is included in any such move.

## Feedback

Clinks would be interested to hear the views of voluntary sector organisations providing services for women in the CJS, women and girls at risk, and their families. Please contact Nicola Drinkwater, details to the right.

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