

Annual Report

2024



About us

The Financial Rights Legal Centre is a community legal centre which specialises in helping people understand and enforce their financial rights in relation to consumer credit, banking, insurance and debt recovery. We focus particularly on assisting low-income, marginalised or disadvantaged consumers who need help to solve complex problems and gain greater financial freedom.

We also use our experience helping individuals to argue for improved consumer protection laws and a fairer marketplace.

What we do

- Provide advice and advocacy for people in financial stress.
- Provide high quality legal and financial counselling services.
- Promote access to justice.
- Advocate for a fair and equitable financial services sector and improved financial wellbeing.
- Support our people and our planet.



Our values

- **Respect and integrity** in all our dealings with clients, stakeholders and colleagues.
- **Quality** in all our services and activities.
- **Independence** from conflicts of interest.
- **Empathy and compassion** for the circumstances in which people find themselves.
- **Empowerment** of people to take control of their financial situation, exercise their legal rights and expect fair treatment.
- **Inclusion** in access to our services, consultation in planning our services, and promoting access to a fair and equitable marketplace and improved financial wellbeing for all.
- **Courage** to be fearless advocates for people facing exclusion, exploitation or unfair conduct.



Financial Rights Legal Centre acknowledges all Traditional Owners of Country across Australia and particularly the Gadigal people of the Eora nation, on whose Land the Financial Rights Legal Centre's office is located. We pay our respects to cultures, and to Elders past, present and emerging and recognise their connection to lands, waters and communities.

Contents

| | |
|---|-----------|
| At a glance | 2 |
| Chair/CEO report | 3 |
| Activities | 4 |
| Advice, information and referral | 4 |
| Policy | 6 |
| Media and communications | 7 |
| Website | 8 |
| Community legal education | 8 |
| Mob Strong activities | 10 |
| Outcomes | 12 |
| Information and advice | 12 |
| Advice survey responses | 12 |
| Key casework outcomes | 13 |
| Policy and Law Reform Outcomes | 16 |
| Financial Counselling in Focus | 18 |
| Mob Strong Outcomes | 20 |
| Financial Abuse | 22 |
| Extreme Weather Events | 24 |
| Youpla | 26 |
| Bankruptcy | 28 |
| Operational achievements | 30 |
| Our people | 30 |
| Technology | 31 |
| Our staff | 32 |
| Acknowledgements and company details | 34 |
| Financials | 36 |
| Staff | 37 |

At a glance

Total contacts for free legal advice or financial counselling

16,093

Total contacts for free legal advice or financial counselling

16,819

Total number of services provided

11,982

Contacts about credit and debt (phone and email)

4,111

Contacts about insurance

2,749

Calls answered through Mob Strong Debt Help

805

Calls answered through disaster priority line

2,510

Services initiated by live chat

362

Services to people impacted by family violence

3,128

Referrals to face-to-face financial counsellors (37 warm referrals)

420

Tasks (302 credit & debt, 71 insurance)

280

Cases opened

260

Cases closed

188

Complaints to regulators and authorities

39

Policy submissions

128

Media mentions

40

Community education

Chair/CEO report

Increasing financial strain in the community has driven a significant increase in demand for our services. Contacts to our service about credit and debt rose 56%. In all, we provided almost 40% more services compared to our last reporting period, up to a total of 16,680 services. This is in part thanks to our increase in staff across our services, boosted by temporary funding. The financial counselling chat service continues to be a popular option for clients, with the volume of chats up 45% compared to last year. Our efforts to achieve systemic reform have seen our complaints to regulators nearly double, up a massive 95%.

Policy and law reform has been busy this year too. We have contributed to consultations on long sought bankruptcy reforms, including an increase to the bankruptcy threshold that we hope will be legislated by next year. Proper regulation of Buy Now Pay Later continues to inch closer, and the general insurance sector is going through a process of self-examination and reform following years of poor consumer outcomes evidenced by our work with callers to the Insurance Law Service.

In February 2024 we welcomed the announcement of the ACBF/Youpla Enduring Resolution (now called the Youpla Support Program). Nearly 14,000 First Nations people who paid money will benefit from the choice of cash back for 60% of the payments they made to Youpla or the option of a funeral bond to use for future sorry business. Former Youpla members also get access to financial counselling. This outcome would never have been possible if not for the tireless work of the Save Sorry Business Coalition, led by our First Nations team, Mob Strong Debt Help.

The Financial Rights Board has experienced significant change in the past year. Natalie Pozdeev has stepped into the role of Chair, replacing Erin Turner and her successor Peter Kell who joined and left us to join the Financial Counselling Industry Fund. We welcomed a number of new directors, namely Mitali Tyagi (appointed July 2023), Beth Schwalbe (appointed July 2023), Sue-Ellen Hills (appointed June 2024) and Rosie Thomas (appointed June 2024). The dedicated support of our board as volunteers is enormously appreciated.

The year ahead will no doubt see even greater challenges for our client base, and for ourselves as we enter a new funding era which has significant uncertainty. Stable, recurrent funding for the Insurance Law Service and Mob Strong Debt Help remain our biggest concerns, but we are also conscious of rising demand on the National Debt Helpline taking its toll on our staff. We thank our existing funders for allowing us to focus on doing what we do best – assisting people to enforce their consumer rights and making the financial system fairer for everyone.



Natalie Pozdeev
Chair



Karen Cox
CEO

Activities

Advice, information and referral

A large part of the work of Financial Rights is to provide information and advice to the public, financial counsellors and other caseworkers in our areas of expertise. We provide advice, information and referrals through five advice lines. This allows us to give people vital information when they need it, to solve their money related problems, to gather intelligence about the consumer experience with money related products and services, and to identify those people most in need of further assistance.

Total information services:

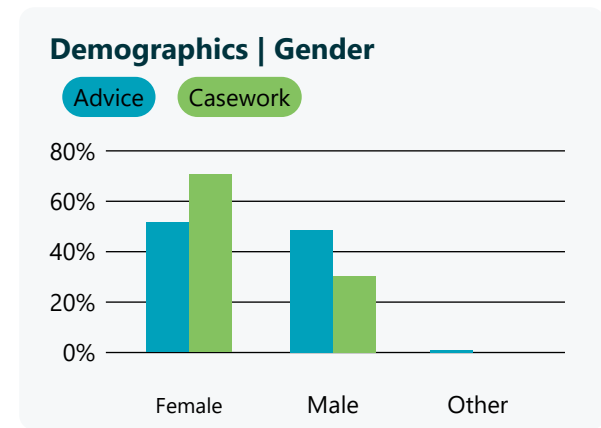
7,449

Total advice services:

8,644

Top languages spoken at home other than English:

- Arabic
- Mandarin
- Vietnamese
- Australian Indigenous Languages
- Spanish



Task and casework

From our extensive consumer contacts we identify the people who most need further assistance. In many cases this will mean providing task assistance where we lodge a complaint, or draft submissions for the client to send or contact a creditor or the court to get further information. In a smaller number of cases we will provide representation by a solicitor, financial counsellor or both. We also identify cases to pursue in the public interest.

Tasks:

420

(302 Credit and Debt, 71 Insurance)

Legal casework opened:

187

(135 Credit and Debt, 52 Insurance)

Legal casework closed:

167

(115 Credit and Debt, 52 Insurance)

Financial counselling casework opened:

93

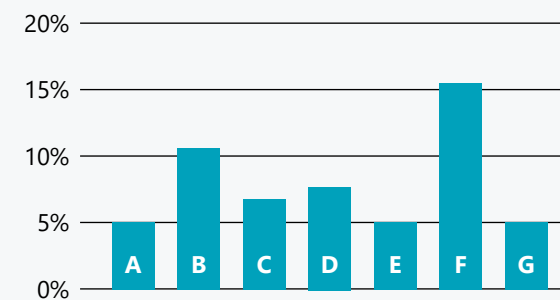
Financial counselling casework closed:

93

Prioritising people experiencing vulnerability

Clients in vulnerable circumstances and/or those who would struggle to self-advocate are given priority for casework assistance, creating a quite different demographic profile to callers overall.

Advice | People experiencing vulnerability



- A. Main language other than English
- B. Aboriginal or Torres Strait Islander
- C. Regional or remote
- D. Mental illness or disability
- E. Impacted by family violence
- F. Older people
- G. Young people (under 24)

Casework | Priority groups



Policy

Our policy and campaign work integrates with our hotline advice and casework, both from our financial counsellors and our solicitors. We aim to identify systemic issues that contribute to financial hardship and consumer detriment, and then develop law reform, advocacy and educational responses.

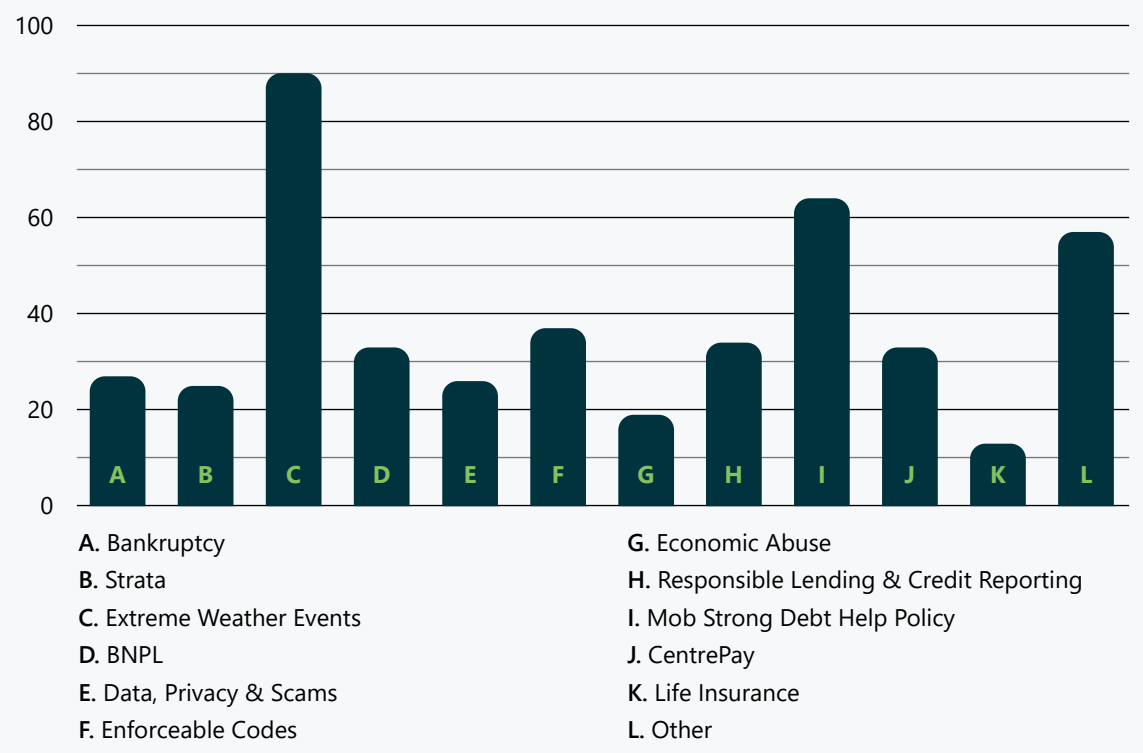
Policy Highlights

- 39 submissions to Government, regulator & industry reviews
- 34 consultations participated in
- 47 contributions to policy fora
- 1 appearance before Parliament
- 13 policy conference presentations or panel appearances
- 1 policy research publication released

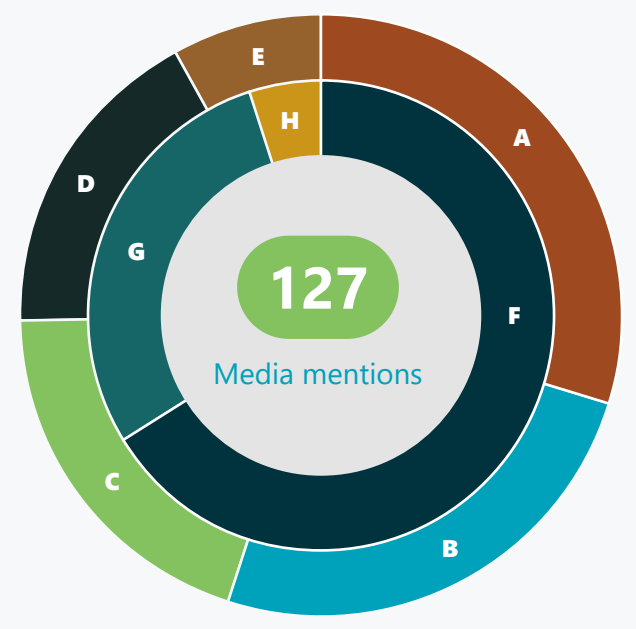


Our solicitors and financial counsellors made 188 complaints to regulators or code compliance committees. **This is a 95% increase on the complaints made last year.**

Policy Activities



Media and communications



Medium

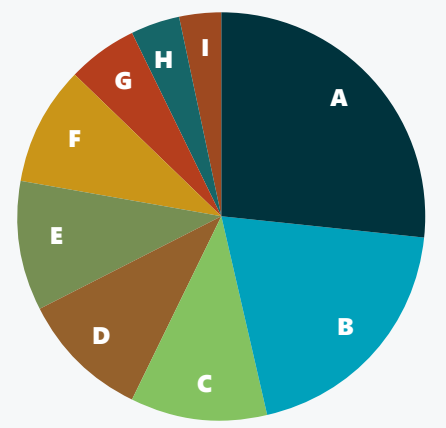
| | |
|-------------------------|----|
| A. Online publication | 38 |
| B. Industry publication | 32 |
| C. Radio | 25 |
| D. Television | 22 |
| E. Print | 10 |

Brand breakdown

| | |
|---------------------|----|
| F. Financial Rights | 84 |
| G. Mob Strong | 37 |
| H. Joint | 6 |

Topics

| | |
|-----------------------------------|------------|
| A. Extreme Weather | 34 |
| B. ACBF/Youpla | 25 |
| C. Miscellaneous | 14 |
| D. Buy Now Pay Later | 13 |
| E. Financial & Mortgage Stress | 13 |
| F. Centrepay reforms | 12 |
| G. First Nations consumer issues | 7 |
| H. Insurance Standard Definitions | 5 |
| I. Strata | 4 |
| Total | 127 |



Website

In March 2023 we launched our new website, consolidating what was once three independent websites into one. The 2024 financial year represents the first full year of reporting since this change.

Total unique users

298,103

Sessions

431,210

Page views

730,289

Our website hosts a variety of tools to enable those capable of self-advocacy to benefit from our services without the need to engage in a phone call.

Total unique users by website tool

12,062

Motor Vehicle Accident
Problem Solver

1,742

Debt Problem Solver

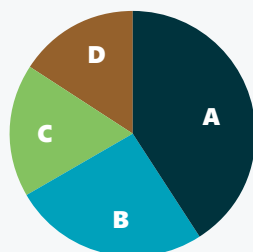
16,544

Sample Letter Generator

Community legal education

This financial year we delivered 40 CLE trainings for professional caseworkers, predominantly solicitors and financial counsellors. Our staff also attended 4 community events engaging with the general public. We accepted invitations to speak at 5 separate conferences and covered topics from flood insurance to mortgage stress and credit reports.

CLE audience breakdown



| | |
|--------------------------|-------------|
| A. Financial Counsellors | 883 |
| B. Other caseworkers | 561 |
| C. Solicitors | 378 |
| D. General Public | 338 |
| Total | 2160 |

Your presentations are always excellent, and it's always appreciated that you send a copy of the slides ahead.

I always enjoy your training sessions :)

Top 5 financial product types people sought credit and debt advice about

19%

Home loan/mortgage



Top 5 financial product types people sought insurance advice about

34%

Motor vehicle comprehensive



10%

Credit card facility



30%

Home building



10%

Personal loan



4%

Home contents



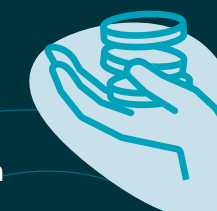
9%

Motor Vehicle Loan



4%

Income protection



6%

Deposit account



4%

Travel



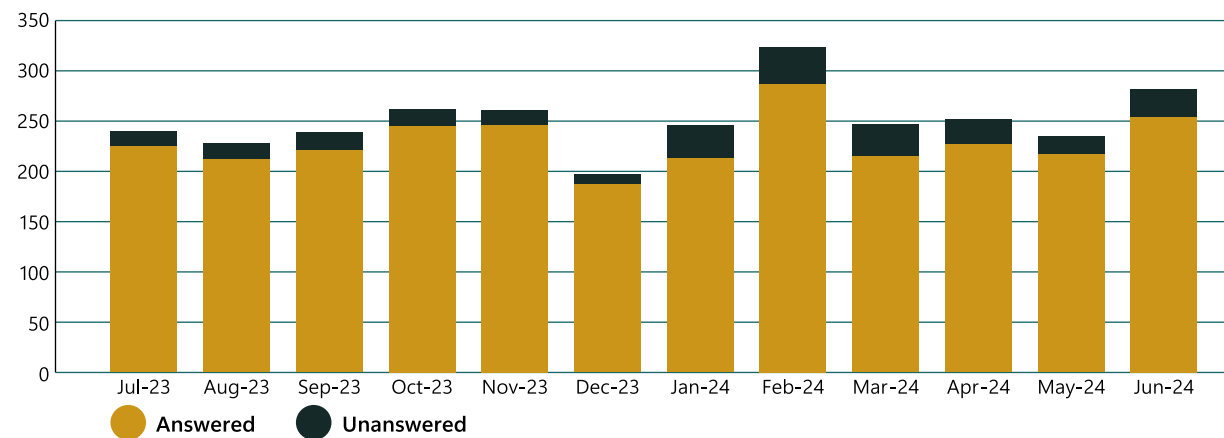
Mob Strong activities

The Mob Strong Debt Help financial counselling and legal advice line is a free-call 1800 number available throughout Australia. We get calls from First Nations consumers as well as First Nations financial counsellors seeking a culturally safe place to ask questions from an identified worker.

Calls continue to average well over 200 per month. Answer rates have remained strong and staff endeavour to return all voicemails. Looking back to when Mob Strong's funding was first provided, calls per month have grown over 350%.

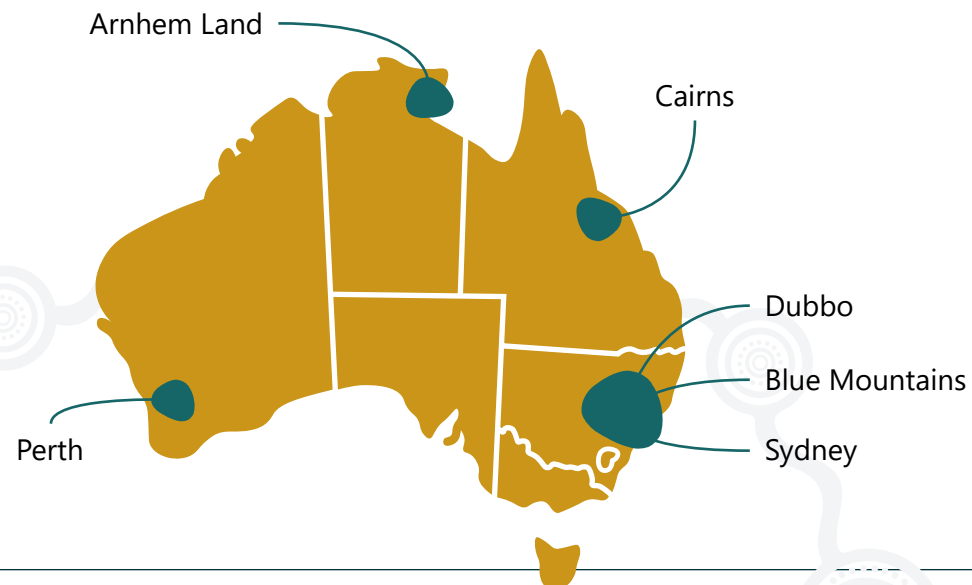


Calls to Mob Strong split by answered and unanswered

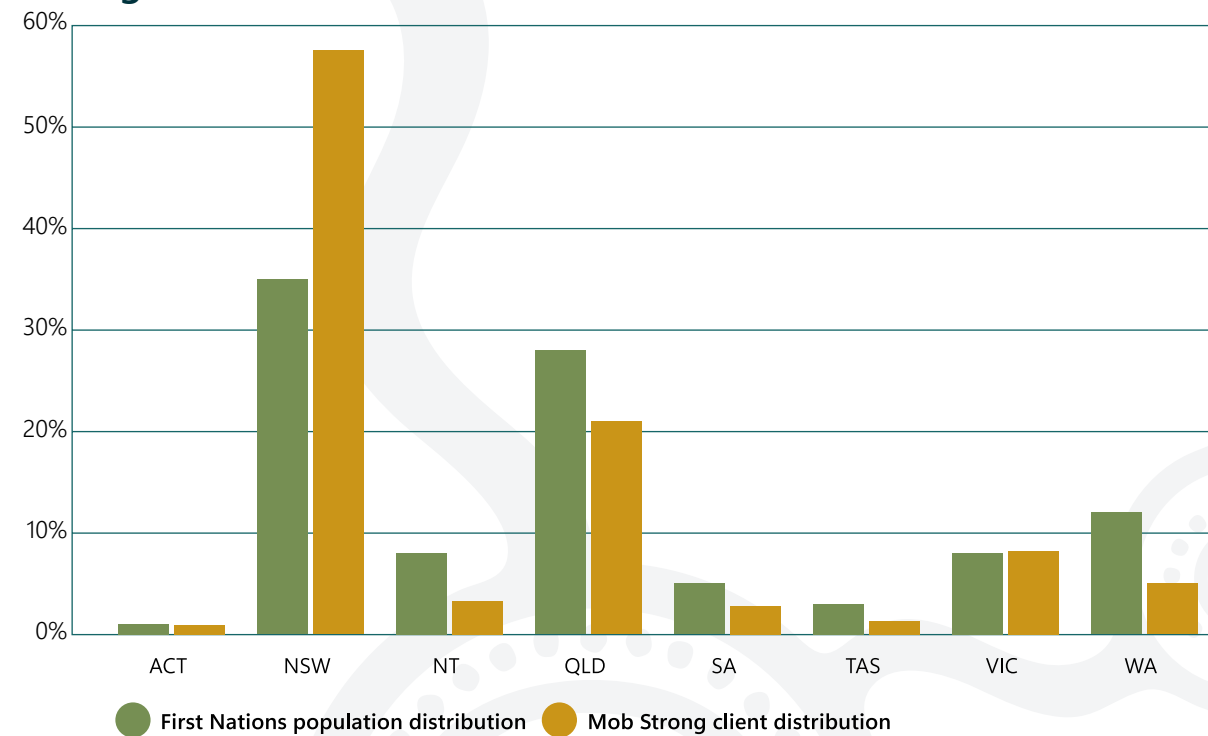


| Service type | FY23 | FY24 |
|------------------------------------|------|------|
| Information | 138 | 134 |
| Discrete Non-Legal Support Service | 356 | 448 |
| Legal Advice | 113 | 150 |
| Task | 29 | 43 |
| Financial Counselling casework | 17 | 38 |
| Legal casework | 2 | 14 |

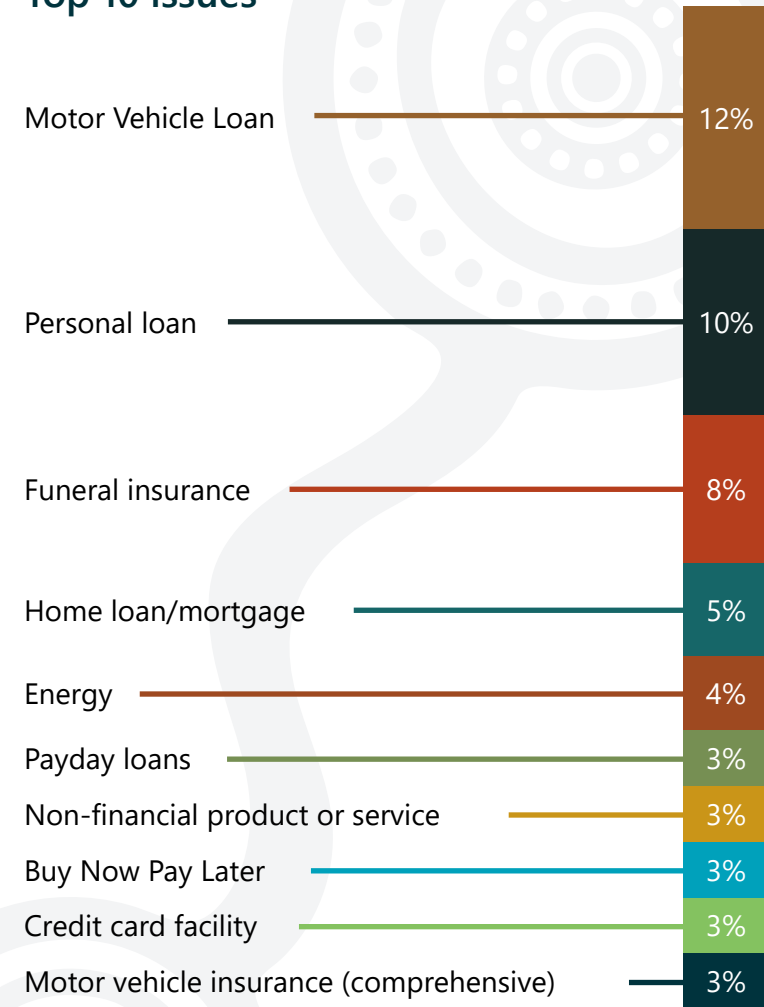
Outreach



Geographic Distribution: First Nations populations and Mob Strong clients



Top 10 issues



Outcomes

Information and advice

It is not always easy to track the outcomes of our lighter touch services like information and advice but they make up a large part of what we do. These services play a very important role in amplifying the impact of our casework by sharing the expertise we have gained with a larger number of Australians, who can use that information to solve their own problems.



Advice survey responses

94%

found our advice 'helpful' or 'very helpful'

48%

said they have taken action based on our advice, and another 40% say they haven't taken action yet but intend to

97%

say our advice is practical and they think they will be able to act on it

Testimonials

"Francesco knew the answer to every question I had and was so thorough with his response. He listened to my insurance concern with no judgement and was matter of fact, polite, empathic and extremely helpful and encouraging."

"I am in a very unusual situation, and I am aware that how I feel about it might be different from what the law says. The person I spoke to was very patient with me, and in the end I came away knowing EXACTLY where I stood as far as the law is concerned. That is what I needed, and that is what I got. I couldn't be happier."

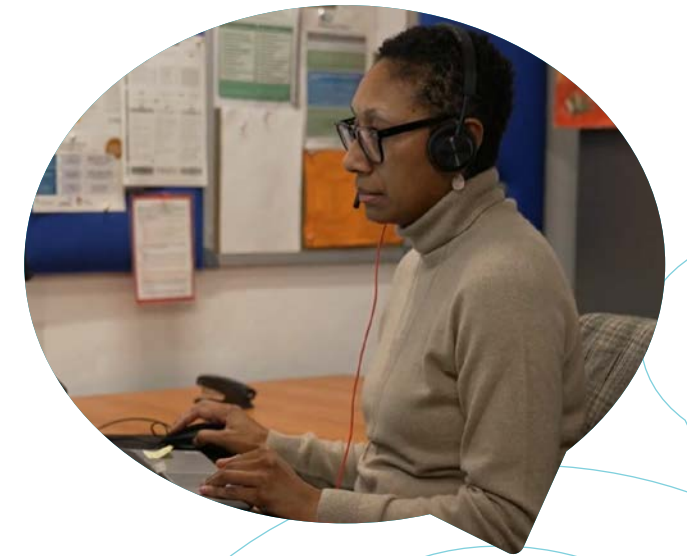
"I was so lucky to have the phone answered by Grace. After having been told by so many other places they couldn't help me and I needed to get a private lawyer, Grace went out of her way to find out who I could contact, always confirming I understood why. She was absolutely amazing and gave me a little bit of hope I may find the right avenue."

"The service officer handled my situation with dignity and respect by taking the time and guiding me through a very scary situation and helped me regain my independence by explaining my rights and services available to me. Followed up when they had said they would which lowered the anxiety and I did not have to repeat my traumatic experiences which is refreshing."

Key casework outcomes

An important part of our work is providing casework representation for vulnerable clients.

These are matters where we are on the record representing a client on an ongoing basis as their legal practitioner or financial counsellor. While we only have capacity to take on a small number of callers as casework clients, what we learn from our casework we use to advise thousands more people over the hotlines and do systemic law reform work.



\$3,417,830

saved or recouped for clients

| | |
|---|-------------|
| Insurance claims paid to clients | \$2,194,687 |
| Client debts waived (credit & debt and insurance) | \$968,152 |
| Insurance premiums refunded to clients | \$104,988 |
| Ex gratia payments or compensation (insurance) | \$90,553 |
| Refunded to clients (credit & debt) | \$36,398 |
| Compensation paid to clients (credit & debt) | \$23,052 |

| Other case outcomes | Count |
|---|-------|
| Repayment plan/variation or garnishee reduced/removed | 46 |
| Interest reduced/removed | 39 |
| Credit report listing amended/removed | 39 |
| Extension of time to pay (or sell home/asset) | 17 |
| Arrears capitalised | 3 |

Diane's Story

Diane is in her early twenties. Two years ago, when she was barely 20 her then partner coerced her into getting a car loan of \$50,000 from an online lender. He perpetrated physical, emotional and financial abuse against Diane during their relationship. Diane ended the relationship and obtained an AVO against him after the loan was entered. She was able to recover the car from him.

Diane instructed us that the car had been exclusively used by her ex-partner and while she ended up making the loan repayments, she could only do so with substantial hardship. We raised a dispute on the grounds that the loan was unsuitable and unjust. We negotiated that Diane surrender the car and the significant shortfall was waived.

S291661

Our casework leads to ASIC enforcement

As part of our approach to systemic advocacy we regularly make complaints to the Australian Securities and Investment Commission about companies where we believe they may be in breach of the law.



Regina's Story

Regina is a pensioner in her mid-60s living in a mobile home in a caravan park. She was referred by another community legal centre about damage from the 2021 storm event.

We represented Regina in the Australian Financial Complaints Authority as her caravan insurer tried to rely on maintenance issues in order to deny her claim. Regina was unable to afford any expert reports. She had photos and some receipts for the costs she had incurred repairing the damage. The insurer had obtained one assessment, that we argued was poor. We were ultimately successful, with the Ombudsman determining in Regina's favour and awarding her a cash settlement, interest and non-financial loss. Regina was grateful to be validated that she was treated poorly by the insurer at the time of the claim.

S290578



"Thanks for having a service like yours. You have pretty much saved my life."

"I have benefited from your advice by giving me the knowledge and the confidence I needed to tackle this. Again thank you."

"Amy was patient, knowledgeable, professional, insightful, empowering, empathetic, and a warm caring person."

"I am crying tears of relief. Thank you Destiny! You helped me draft a response that got unbelievable action after months of stress with them."

Policy and Law Reform Outcomes

Financial Rights had a packed policy agenda this year. A standout achievement has been the tabling of new laws to treat Buy Now Pay Later for what it really is: credit.



Buy Now Pay Later

The NDH regularly hears from consumers in financial hardship made worse by Buy Now Pay Later (BNPL) products.

Due to a legislative loophole, BNPL has grown without having to meet the consumer protections that apply to other credit products. Financial Rights and the consumer movement has sought to have BNPL regulated as credit. Bringing BNPL under the Credit Act would apply guardrails to these products and help people spread their expenses without getting into a debt spiral.

BNPL legislation has now been tabled in Parliament. It incorporates significant input from Financial Rights and other advocates.



Centrepay reforms on the agenda at long last

For over a decade, consumer advocates have complained about the misuse of Centrelink's free, voluntary bill paying service: Centrepay. Issues include overpayment for goods and services as a result of open-ended arrangements, people being left without money to live, and exploitation by high cost, low value businesses offering consumer leases.



Misleading funeral insurer ACBF/Youpla used Centrepay to deduct millions in payments from First Nations people leading to the announcement of the government's Youpla Support Program. Our policy team then worked with Mob Strong to double down on advocacy to prevent other businesses using the system to exploit consumers. Subsequently the Government announced Centrepay reforms intended to improve the experience for customers and prevent abuse by businesses. This has been the culmination of many years of advocacy by many of our community sector allies.

Code improvements



Some sectors rely on self-regulatory instruments to guide conduct with customers. Advocacy to develop or amend these codes of practice can take years to complete.

This year the Banking Code of Practice was approved by ASIC. Key code protections were retained against bank resistance, including to act with the care and skill of a diligent and prudent banker for consumer borrowers and their guarantors. Improvements were made in relation to small business, inclusivity and accessibility, financial difficulty, deceased estates, and loan guarantors.



General insurers failing the community

Since 2018, 17 extreme weather event catastrophes and a pandemic have tested the general insurance industry. It has been found wanting.

Multiple reports contain plenty of evidence detailing problems with claims handling, cash settlements, disclosure practices and a raft of other areas. One such report is Financial Rights' 2024 Consumers' Federation of Australia Award winning Weathering the Storm report.



Financial Rights has contributed to mounting pressure on the sector to lift its game through its advocacy to government and industry.

This advocacy is seeing dividends with the Insurance Council releasing an Expert Report Best Practice Standard and Fact Sheet. But we still have more to do.

Consumer sector collaborations

Speaking as a single voice with our consumer sector colleagues helps Financial Rights increase our impact. Where we share common views, Financial Rights will lead or support submissions prepared jointly with our allies on issues impacting our clients or in the public interest. Issues where we have undertaken a joint advocacy approach this year include:

- The General Insurance and Banking Code of Practice Reviews
- Review of Australia's Credit Reporting Framework
- Unfair trading prohibition
- Australia's credit reporting framework
- Treasury consultation on standardising natural hazard definitions and reviewing standard cover for insurance
- Strata law reform in NSW
- Screen scraping reform
- Consumer Data Right.



Financial Counselling in Focus

Our financial counselling team not only achieves amazing results for their clients, they provide vital assistance on legal casework files working in collaboration with our legal team. In addition to running 93 casework files of their own, they collaborated with our lawyers on 27 additional files to optimise results and produce sustainable outcomes for clients.

This year our financial counsellors got over \$292,083 in debts waived for their clients. The outcomes they have achieved for their very vulnerable clients have been nothing short of life changing.

Top 5 product types in financial counselling casework



18%

Personal loan



17%

Motor Vehicle Loan



14%

Telecommunications



11%

Credit Card Facility



10%

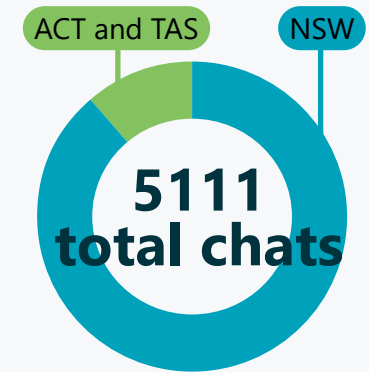
Buy Now Pay Later

National Debt Helpline - live chat

Live chat with the National Debt Helpline was piloted in some states in 2020 and in May 2022 we successfully applied, in partnership with Care ACT, to operate the live chat 5 days per week, from 9am until 8pm, for residents of NSW, ACT and Tasmania from 1 July 2022.



All chats assigned to ACT, TAS and NSW



Chat received 5111 contacts, some of which are out of hours. We were able to respond to 2510

Violet's Story

Violet, who is in her eighties, was struggling with three credit cards. She is disabled and housebound, unable to see a financial counsellor face to face. She had been paying these cards for years but when she retired aged 75 affordability became a problem. She has no assets and her sole source of income is the age pension. She lives in a rental property with her daughter and her situation had got to the point where her entire Centrelink age pension was going to the repayments for all three cards and she couldn't contribute to any household expenses. She was very stressed. We were able to assist her to get a debt waiver on compassionate grounds, instead of entering bankruptcy.

S279548

Joanne's Story

Joanne is in her early fifties, with limited education and employment skills. She has two adult children who live with her, both on disability support pensions. Joanne recently lost her job. She lives in a regional area with reduced opportunities for finding new employment and was receiving Centrelink Jobseeker payments. A financial counsellor worked with Joanne showing she could meet her living expenses without relying on her credit card, which she was initially hesitant to close. The financial counsellor negotiated for the home loan arrears to be capitalised and the interest rate applied reduced by 2% to help with her ongoing financial management. The financial counsellor also negotiated for her credit card debt of \$8,000 to be waived.

S279548

Top issues collected from Chats

1. Mortgage
2. Personal loan
3. Credit cards
4. Debt collection
5. Rent

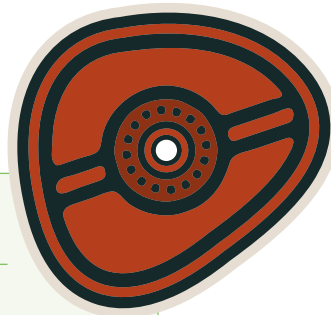


Mob Strong Outcomes

Trina's Story

Trina is a young mother who works full-time, and her husband is the care-giver of 5 children. Trina was approved for a car loan despite the fact she was receiving only parenting payments at the time and had many other debts. We raised a dispute with her lender that the loan was never affordable and raised concerns that she was sold a junk add-on product in the form of an extended warranty. The lender offered to waive the outstanding debt of \$6,000.

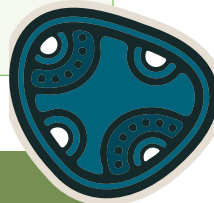
S291421



Maree's Story

Maree is single mother of three living on Centrelink. Maree went to a car yard in QLD and selected a car. The car yard told Maree she would not get finance for the car, but months later she got a call from car yard saying she could get a loan after all. Maree provided financial information but did not know which lender she was borrowing from, or that she was also paying for add-on insurance and broker fees. We wrote to the lender and demanded a partial refund and waiver of Maree's remaining debt as she had already paid back more than the principal. The lender accepted this. We also lodged a complaint in AFCA against the broker for the refund of the broker fees.

S298328



"The service officer handled my situation with dignity and respect by taking the time and guiding me through a very scary situation and helped me regain my independence by explaining my rights and services available to me."



Linda's Story

Linda receives a disability pension and had a motor vehicle accident. The insurer for the other driver demanded over \$8,000 from Linda. We argued she was in financial hardship under General Insurance Code of Practice and requested a waiver of her debt on compassionate grounds. Thanks to our advocacy Linda's debt was waived.

S301807

Mob Strong's impact through systemic reform

Members of the Mob Strong Debt Help team regularly meet with regulators to provide input about issues facing First Nations consumers. Some of the working groups they are members of include:

- Australian Banking Associations Consumer Outcomes Group
- Australian Energy Regulators Consumer Consultative Group
- ASIC Consumer Consultative Panel
- ASIC Indigenous Advisory Group
- AFSA Vulnerability Framework
- Super Consumers Australia

Mob Strong has also had a direct impact on systemic reforms with a focus on Closing the Gap Priority Reform 3. This year we've seen outcomes in three key policy areas:

Superannuation, financial services and identification

We participated in a First Nations Super Summit to set baseline requirements to improve First Nations access to superannuation. Now Mob Strong has partnered with Super Consumers Australia and Impact Economics to develop a research report into First Nations consumers and Super.

Lemon Cars

We attended regular meetings between consumer advocates and consumer protection regulators to support a cross-jurisdictional approach to problems with poor quality second-hand cars and expensive, unaffordable car loans.

Centrepay

Our direct advocacy led to major reforms in the Centrelink payments platform called Centrepay. Bettina Cooper and Julia Davis attended multiple workshops and met with a small Centrepay Reform Team fortnightly for most of this financial year resulting in transformative improvements to what had become a government-run vehicle for abuse.



With the support of the Minister for Government Services, the reform team has committed to fixing many long-standing problems with Centrepay. A cap of \$250 has been applied to some of the categories which cause the most consumer harm and other changes are in train. Complaints and compliance activities are also in the process of being completely overhauled.



Financial Abuse

Helping victim survivors of economic abuse is an important part of Financial Rights' credit, debt and insurance advice and casework.



Many of the people who seek assistance from our service are women who are struggling financially and psychologically because of relationship debt and financial abuse.

Assisting these women to extricate themselves from crippling debt, clear their credit reports, claim on insurance or unencumber their assets from unfairly incurred mortgages and charges, is vital to ensuring their successful transition to independence and future wellbeing. It can mean the difference between living in safety and returning to a situation of abuse.

What is financial abuse?

Financial Rights publishes a fact sheet to help identify where someone may be experiencing financial abuse. Signs can include:

- limited access to your own money or finances.
- feeling coerced (forced) into agreeing to signing up to loans that you don't want.
- debts and bills are put under your name, but the money or service is used by someone else.
- your name is taken off accounts without you knowing or agreeing.

1,500+ services in the past 4 years have been supporting victims of financial abuse

Alanna's Story

We assisted Alanna, a woman in her mid-thirties escaping an abusive relationship. She had been pressured during the relationship to guarantee a business loan for the perpetrator's company. The loan was in default when she came to us, and she became aware of her ongoing obligation and risk as a guarantor. This matter was complex as it was not regulated by the National Consumer Credit Protection Act 2009 as it was for a genuine business purpose, and was not covered by any industry codes of practice. Alanna was at risk of the ongoing impact of this debt following her for many years to come. We raised an unconscionable conduct dispute based on the circumstances of entry and she was successfully released from the guarantee.

S292565

Advocacy highlights

Inquiry into financial services regulatory framework in relation to financial abuse

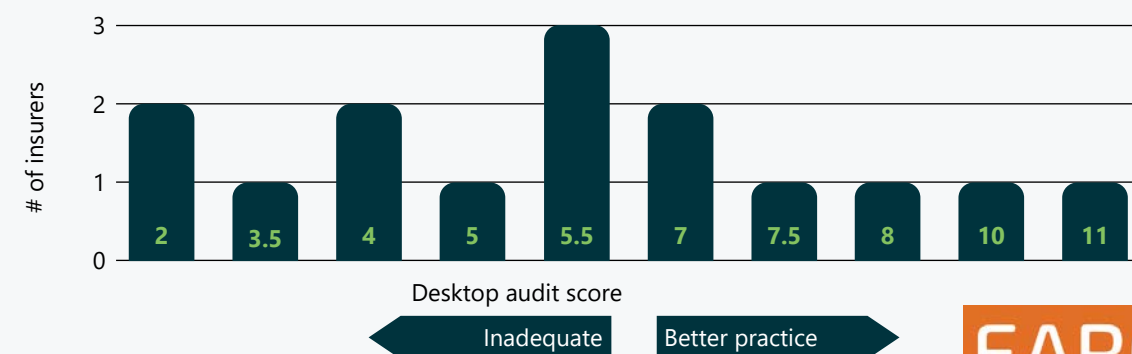
In April, a Parliamentary Joint Committee commenced an inquiry into financial abuse. Julia Davis from our service attended a public hearing along with some of our sector colleagues to speak about the experience of our clients and to our reform recommendations which include:

- Introducing clear obligations on all financial institutions to protect vulnerable customers
- Giving ASIC rule making powers, equivalent to the UK's Financial Conduct Authority
- Requiring the design and distribution of financial products to prevent or impede financial abuse
- Obliging financial institutions to publicly report on instances of financial abuse

Life Insurance

The 2023 Life Insurance Code of Practice introduced a requirement for insurers to have family violence policies available online for their customers. Our desktop audit found that only one insurer met all 12 Code recommendations around how they will help those subject to family violence. We want all life insurers to learn from each other's family violence policies and commit to introducing best practice family violence policies.

Distribution of Family Violence Policy desktop audit scores



Economic Abuse Reference Group

Financial Rights participates in the Economic Abuse Reference Group, who share information and work together on ways to address economic abuse. This year we met with NSW Minister for Women Jodie Harrison to discuss the intersection of financial abuse with strata debt collection, fines and car registration.



Extreme Weather Events

The impact of extreme weather events continues to drive our insurance policy priorities and advocacy.

Financial Rights led the development of a joint consumer submission to the House of Representatives Standing Committee on Economics *Inquiry into insurers' responses to 2022 major floods claims*.

Using data from the Insurance Law Service, we revealed significant delays and issues in claims handling, inadequate communication from insurers, confusing terms and definitions in home insurance policies, a systemic underinsurance problem and a lack of affordable insurance with premiums on the rise, as well as poor land use planning that require immediate solutions.

In January we also gave evidence at the Committee hearing, highlighting the real-life impacts of a changing climate on consumers.

"Flood insurance affordability is a complex and growing problem, and our submission makes a number of recommendations we believe will begin to address it – but while flood cover is at the very pointy end of the insurance affordability debate, this problem is much broader.

As a country we need to both improve access to affordable insurance and invest in initiatives which address safety and resilience through an equity lens".

Julia Davis's introductory remarks to the Committee, 31 January 2024

The Flood Inquiry set off a flood of media inquiries and requests for Financial Rights to speak at community events. Our client was featured on ABC programs about poor insurer behaviour.

John's Story

John is in his early eighties. His only income is the aged pension, and he is the main carer for his wife. In 2022 John's home was damaged in the Victorian floods. As a result of the floods, water ponded underneath John's home. This caused foundation movement and mould damage.

His insurer declined the building claim, relying on a 72-hour earth movement exclusion and a mould claim based on a structural defect clause owing to the property not complying with the Building Code of Australia or the National Construction Code.

We raised a complaint in the insurer's internal dispute resolution, and then the Australian Financial Complaints Authority about their decision to decline the claim. The complaint resolved soon after it was escalated to AFCA. The insurer agreed to accept John's claim, and pay \$750 in compensation for non-financial loss. The claim's estimated value was \$40,000.

S303481

Weathering the Storm Report

Financial Rights partnered with Choice, the Climate Council, Financial Counselling Australia and the Tenants Union of NSW to produce *Weathering the Storm: Insurance in a changing climate* (August 2023).

The report identified five key consumer problems that are limiting the affordability and accessibility of home and contents insurance.

1. Complex product design
2. Unaffordable premiums
3. Inaccessible information on natural hazard risk
4. Mitigation measures are not being considered
5. Dangerously exposed housing needs solutions beyond insurance

As the report noted, these problems aren't going away, and they'll get worse before they can get better. The consumer consequences of extreme weather needs serious and sustained attention by governments and the insurance industry, to ensure that insurance can continue to play a role in assisting people to recover and rebuild after extreme weather events.



Youpla

In March 2022 ACBF/Youpla went into liquidation. Mob Strong joined several other organisations to create the Save Sorry Business Coalition. Bettina Cooper led the campaign for over two years to get justice for First Nations consumers who were harmed.

The Save Sorry Business Campaign is successful!



July 2023

Ongoing lobbying of Minister Burney about the scope of the Enduring Resolution.



August 2023

Bettina & Julia go to Canberra (for the 6th time) to keep pressure on Government. ASIC commences court action against former Youpla directors.



October 2023

Announcement of the extension the interim Youpla Funeral Benefit Program till June 2024 but still no update from Federal government on scope or announcement date for the Enduring Resolution.



February 2024

Youpla Support Program finally announcement – huge media coverage.



Late February 2024

Full Federal Court upholds ASIC’s appeal against ACBF/Youpla finding it misrepresented to Aboriginal consumers that it was Aboriginal owned (Mob Strong were strong supporters of this appeal).



March to July 2024

Save Sorry Business members (led by Mob Strong) meet fortnightly with Government, Services Australia and the NIAA to support the roll-out of the Youpla Support Program.



June 2024

Mob Strong is chosen and funded to be the preferred supplier of financial counselling for the Youpla Support Program.



July 2024

Youpla Support Program goes live.

What was the final result?

The Enduring Resolution (now called the Youpla Support Program) gave former Youpla members (who were still paying in 2015) the choice of cash back for 60% of the payments they made to Youpla or the option of a funeral bond to use for future sorry business. Former Youpla members also get access to financial counselling.

Nearly 14,000 First Nations people who paid money to ACBF/Youpla will benefit from the Youpla Support Program.

This outcome would never have been possible if not for the tireless work of the Save Sorry Business Coalition, led by Mob Strong Debt Help and Financial Rights.

The announcement of the Youpla Support Program attracted huge media coverage:

Leading TV Programs

Top 5 TV programs ranked by volume of mentions

| | | |
|----|--------------------|-----|
| #1 | ABC News Breakfast | 115 |
| #2 | 10 News First | 70 |
| #3 | ABC News | 21 |
| #4 | NITV News: Nula | 10 |
| #5 | ABC News Mornings | 5 |

Leading Radio Programs

Top 5 TV programs ranked by volume of mentions

| | | |
|----|------------------------------|-----|
| #1 | AM with Sabra Lane | 180 |
| #2 | News Bulletin | 78 |
| #3 | Overnights | 22 |
| #4 | Breakfast with Vanessa Mills | 6 |
| #5 | Breakfasters | 5 |

Bettina Cooper and Mark Holden did 10 major media interviews across 2 days, most of which were syndicated across networks.

Consumer champion: 'Being First Nations is part of my qualifications'
We spoke to Bettina Cooper about the fight for justice for Youpla victims and gaining her voice.

Financial counsellor and consumer advocate Bettina Cooper speaks in measured tones, pausing before answering a question to consider her response. But she doesn't mince her words.

"I think the best people who can speak for First Nations people are First Nations people. It's very hard to explain to somebody who is not First Nations what it means to be First Nations – the complexities, the trauma, the demands, the load, the expectations, not just of our people but the world." she says.

...very hard to explain...

Bankruptcy

After many years of advocacy to the Federal Government on the need for a fairer bankruptcy system, significant progress has been made this year.

In our experience, many people want to pay their debts but simply can't. Bankruptcy helps people draw a line under unmanageable debt, freeing them to re-enter economic life. But it can be unnecessarily punitive. In some cases people are forced into bankruptcy when other debt collection processes are available and less punitive.

Strata and Bankruptcy

Unlike most other sectors, strata schemes do not have obligations to provide financial hardship arrangements. When a lot owner falls behind in their levy payments they can quickly accrue fees and charges which put them at risk of forced bankruptcy. We are strongly advocating to NSW Fair Trading for better financial hardship arrangements and debt collection practices in NSW.

"We both are so grateful to Miriam [and Marie] and your team for all your support and ongoing advice in our situation."

Edgar's Story

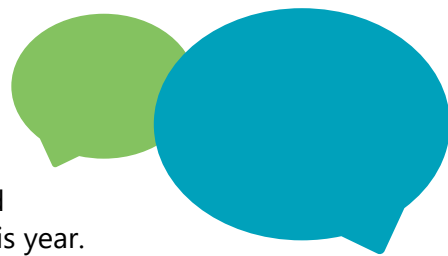
Edgar was in severe personal and financial hardship when he fell into strata arrears in 2022. Despite consistent communication with his strata manager, strata obtained two default judgments against Edgar. Only three days after second default judgment, and shortly before Christmas, Edgar was served with a Bankruptcy Notice and contacted us for assistance. He had 21 days to pay the full amount outstanding or face being made bankrupt.

Edgar's home is subject to a mortgage with a bank. A lawyer, working over the Christmas and New Year period along with his financial counselling colleagues, negotiated with strata to extend the time for the bankruptcy notice and reviewed Edgar's options. The strata company's actions were questionable and very sharp practice: applying for default judgment whilst ongoing negotiations with Edgar took place and knowing he was undergoing treatment for his mental health. Ultimately, there was not sufficient grounds to risk an application to set aside the default judgments. It would also not solve his financial problems in the longer term.

Instead, we negotiated with his lender for time to sell as he was also struggling to pay the home loan. The lender agreed to pay the strata debts as part of the sale which were almost \$20,000.

Whilst the loss of Edgar's home was personally devastating, he was able to avoid a forced bankruptcy process and tens of thousands in additional costs. Edgar's experience provides us lived consumer experience of identifying the need for strata reform and approaches to hardship.

S302019



Bankruptcy Law Reform

Financial Rights leads the broader consumer sector advocacy on bankruptcy reform. In a September 2023 submission, we and 10 other consumer groups responded to a consultation by the Attorney General's Department on personal insolvency reforms. While legislation has yet to emerge, the Attorney General subsequently confirmed legislative reform of bankruptcy was a key priority for the Government. Key changes will be:

- Doubling the threshold for involuntary bankruptcies
- Increasing the time for debtors to respond to a bankruptcy notice
- Reducing the period a discharged bankruptcy is publicly recorded from life to 7 years
- Making the proposal, or acceptance, of a debt agreement no longer an act of bankruptcy

Living under financial stress is incredibly difficult, and we think a shorter, less punitive bankruptcy option is also needed in Australia and we will continue our advocacy on a streamlined bankruptcy process.

Federal court bankruptcy service

This entire financial year we have had a financial counsellor sitting in on the bankruptcy list in the Federal Circuit Court on Tuesdays and Thursdays to provide financial counselling support to unrepresented clients.

We currently have 4 financial counsellors participating in this service.

Being made bankrupt can be extremely distressing for a client. Our financial counsellors provide accurate information to clients about bankruptcy including the positives as well as the negatives. For many clients, where bankruptcy is their best option, they choose not to oppose the sequestration order being made. They have reported feeling a sense that bankruptcy has given a fresh start to their lives.



Revised bankruptcy toolkit

We were thrilled to release an updated, electronic edition of the Bankruptcy Toolkit. The toolkit assists financial counsellors to provide information to their clients at all stages of the bankruptcy process.



Our Activities

94 total Bankruptcy services connected to our Federal Court visits

- 21 information
- 54 financial counselling advice
- 7 legal advice
- 15 tasks
- 22 clients assisted in total

Our Impact

We know we have helped at least 9 clients avoid bankruptcy. For other clients we have provided accurate information about bankruptcy which has allowed them to see that this is their best option and avoid protracted legal proceedings.

Operational achievements

Our people

Our team expanded to 45 people. Our employees are individuals with a passion for social justice, dedicated to alleviating poverty, disadvantage and financial exclusion. Through education, assistance, counselling and advocacy, our employees empower disadvantaged individuals to manage their finances and assert their rights.

New Leave entitlements

We enhanced our employee benefits by introducing twelve weeks of paid parental leave for eligible employees. This benefit complements government paid parental leave programs, supporting our commitment to a family friendly workplace. Our goal is to provide team members with the time and support needed to welcome new additions without financial stress, reflecting our dedication to work-life balance and employee wellbeing.

Employee Engagement

We are dedicated to cultivating a positive workplace culture. Staff engagement, as measured by our quarterly happiness survey, continues to trend upward. Our staff engagement score averaged 75% for the year, marking an improvement over the previous year's score of 70%.

Feedback from our staff happiness surveys:

"Supportive management team, great co-workers, and flexibility around work-from-home arrangements."

"I love working here."

"I love this job and this organization."

"I look forward to massage days in the office."



Technology

Embracing IT transformation and an Evergreen IT infrastructure philosophy is pivotal for improving our operational efficiency. We are dedicated to strengthening and expanding our technological capabilities to create more streamlined and effective ways of working.



Cybersecurity

We uplifted our Cybersecurity by implementing several key initiatives, including upgrading our fleet of laptops to the latest supported versions, transitioning to Microsoft SharePoint for document management, and enhancing our technology support model by partnering with a managed service provider.

New Technology

This year, we successfully transitioned our document management system from a traditional server directory storage to Microsoft SharePoint. This strategic move has delivered several key benefits including an enhanced user experience for our staff, cost savings, a streamlined IT infrastructure, centralised accessibility, robust version control, improved security, and collaborative workflows. These improvements have simplified our IT processes and fortified our overall operational efficiency.

Additionally, in alignment with our Evergreen strategic philosophy, we upgraded our fleet of laptops to ensure that all staff members have access to fully supported and up-to-date hardware. This upgrade was essential to enhance productivity and provide our employees with the tools they need to perform their tasks efficiently.

Technology Support

This year, we outsourced our front-line technology support to an external managed service provider. This strategic decision has brought numerous benefits, such as faster response times for our staff, improved scalability, better cybersecurity assistance, and the ability to allocate internal resources to more important projects. This transition marks a significant advancement in our ongoing efforts to enhance operational efficiency.



Our staff

Joanna Alexandris

Financial Counsellor

Rawan Aljayzani

Solicitor

Maree Attard

Solicitor

Isabelle Brian

Office Assistant

Jesus Brillantes

Contact Centre Manager

Almond Cafarella

Information Communications & Technology Manager

Amy Colquhoun

Solicitor

Bettina Cooper

Mob Strong Financial Counsellor & Strategy Lead

Karen Cox

Chief Executive Officer

Julia Davis

Senior Policy & Communications Officer

Jason Drane

Mob Strong Financial Counsellor

Marie Druon

Financial Counsellor

Mike Dunkley

Financial Counsellor

Gerda Freimane

Operations Assistant

Konara Gena

Financial Counsellor

Mark Holden

Mob Strong Senior Solicitor & Policy Advocate

Joanne Hunt

Financial Counselling Manager

Louise Jansson

Senior Solicitor/Acting Director of Advice

Miriam Jay

Financial Counsellor

Grace Joseph

Financial Counsellor

Alexandra Kelly

Director of Casework

Amy Knox

Senior Solicitor

Khai Der Lau

Solicitor

Craig Lee

Digital Communications Coordinator

Hyunjung (Lucy) Lee

Bookkeeper

Alice Lin

Director of Advice

Drew MacRae

Senior Policy & Advocacy Officer

Annabel McConnachie

Community Legal Education Officer

Erin Mulally

Senior Solicitor

J.K. Menon

Acting Finance Manager

Eugenia Peterson

Financial Counsellor

Helen Rees

Financial Counsellor

Claudia Robinson

Solicitor

Gregory Russell

Financial Counsellor

David Ryan

Finance & Data Manager

Claire Shidiak Khoury

Senior Solicitor

Samantha Short

Mob Strong Trainee Financial Counsellor

Lara Song

Senior Solicitor

Lody Stewart

Financial Counsellor

Nicola Sutton

Office Manager & Company Secretary

Alexandra Stamios

Team Assistant

Yvette Taylor

Mob Strong Financial Counsellor

Francesco Terranova

Solicitor

Peter Thompson

Financial Counsellor

Destiny Valencia

Solicitor

Jane Wilburn

Senior Solicitor

Sarah Wilson

Policy & Communications Officer

Rebekah Wong

Acting Senior Solicitor

Marianna Zauanders

Senior Solicitor

Maria Zografos

Chief Operations Officer

Board

Erin Turner

Chair (until November 2023)

Peter Kell

Chair (November 2023 – April 2024)

Natalie Pozdeev

Chair (from April 2024)

Dave McMillan

Director

Francis Vierboom

Director

Mitali Tyagi

Director (from July 2023)

Beth Schwalbe

Director (from July 2023)

Sue-Ellen Hills

Director (from June 2024)

Rosie Thomas

Director (from June 2024)



Acknowledgements and company details

Aboriginal advisory committee

- Nathan Boyle
- Robynne Quiggin
- Bobbi Murray



Pro bono support

- K & L Gates
- HWL Ebsworth
- Minter Ellison
- Tim Faulkner SC
- Glenn Fredericks
- Jim Johnson
- Joanna Bird
- Sonia Tame
- Hall and Wilcox
- Australian Government Solicitor
- Justice Connect Pro Bono Portal

Pro bono training providers

- **Maurice Blackburn**
 - Craig Parrish
 - Connie Smith
- **CALC**
 - Peter Mann
- **Carroll & O’Dea**
 - David Coorey
- **Revenue NSW Fines Write Off Team**
 - Kelli-Ann Sommerland
 - Stacey Connors
 - Rochelle Stapleton

Contact details

Financial Rights Legal Centre
Level 1, 80 Cooper St. Surry Hills NSW
PO Box 538 Surry Hills NSW

Administration
(02) 9212 4216

Fax
(02) 9212 4711

Email
info@financialrights.org.au

Office Hours
9:30am – 5:00pm weekdays

ABN
40 506 635 273

Services

National Debt Helpline

1800 007 007
9:30am – 4:30pm weekdays

Credit & Debt Legal Advice Line (NSW)

1800 844 949
10am-1pm Weekdays

Insurance Law Service

1300 663 464
10am-1pm Weekdays

Mob Strong Debt Help

1800 808 488
9:30am – 4:30pm weekdays

Website

financialrights.org.au

All advice hours are Sydney time.

Funding acknowledgements

Financial Rights acknowledges the financial support for our core services provided by the Financial Counselling Services Program administered by the NSW Department of Finance and Services (Fair Trading), the Community Legal Centres Program operated by both the State Department of Justice and the Federal Attorney-General’s Department, and the Community Legal Services Program operated by the Federal Attorney-General’s Department.

We acknowledge funding from the Financial Counselling Foundation for Mob Strong Debt Help and our Federal Court financial counselling service. We acknowledge important project funding by Ecstra Foundation, supporting some of our policy work and Mob Strong Debt Help. We also acknowledge Financial Counselling Australia for their coordination and funding of the National Debt Helpline Live-Chat service.

We have also been fortunate enough to be the beneficiary of residual remediation funds passed on by industry participants. This only occurs where it is not practical to compensate affected customers directly, either because they cannot be located or because the amount per customer is negligible.

Financials

| Income | Actual |
|--|--------------------|
| Revenue from Government | |
| Commonwealth | |
| Attorney General | \$3,167,290 |
| State | |
| Legal Aid NSW, Community Legal Centres Program | \$216,712 |
| NSW Fair Trading, Financial Counselling Program Services | \$1,124,665 |
| Sector Grants* | \$1,154,065 |
| Other Income | \$1,974,536 |
| Total Income | \$7,637,268 |

* Sector Grants include funds from ECSTRA Foundation, Financial Counselling Australia, Financial Counselling Foundation, and the Indigenous Consumer Affairs Network. Other Income includes Residual Remediation funds where it is impractical to return funds to affected consumers.

| Expense | Actual |
|-----------------------------------|--------------------|
| Salaries, on costs Training | \$4,840,717 |
| Travel | \$69,382 |
| Program and Planning | \$78,773 |
| Administration and Infrastructure | \$23,215 |
| Premises Costs | \$251,884 |
| Depreciation | \$33,601 |
| Finance and Accountability | \$15,814 |
| Insurances | \$27,585 |
| Office Overheads | \$277,770 |
| Library and Resources | \$33,598 |
| Communications | \$100,451 |
| Total | \$5,752,790 |

The complete audited financial statements for 2023-2024 can be found on our website.

Staff





Financial Rights

LEGAL CENTRE

Financial Rights Legal Centre

Tel (02) 8204 1386
PO Box 538
Surry Hills NSW 2010

www.financialrights.org.au