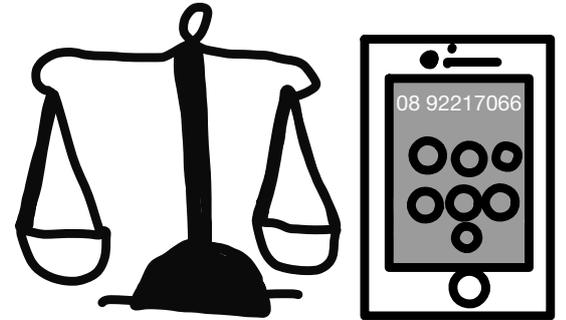


 **cclswa** Consumer Credit Legal Service (WA) Inc.

Annual Report 2020



Illustrated by former volunteer and CCLSWA Alumni, Parveen Gupta



Who we are

CCLSWA is a not-for-profit charitable organisation, providing legal advice and legal representation to people in Western Australia in the areas of banking and finance and consumer law.

Core Services

- ◆ We empower people to resolve their own disputes with banks, financial institutions and commercial enterprises through our telephone advice line;
- ◆ We advocate for people in their disputes with banks, financial institutions, and commercial enterprises through our case file work;
- ◆ We educate people about banking, finance, and consumer law;
- ◆ We improve the commercial marketplace for the benefit of the community.

AT A GLANCE



Telephone
Advices
639

Cases
Opened
80

Cases
Closed
72

1367
Referrals to
another service

797
Turnaways

A turnaway is any person we were unable to assist within the needed time frame or because of a lack of resources.

If a person needs more help our solicitors may open a case for them to assist them with their problem.

We open cases to provide further assistance to some people. Of those that we opened cases for, some faced further challenges including that:

100%
were experiencing
financial
disadvantage

14%
were
over 65+

17%
had a
disability
or mental illness

26%
needed a translator as
the main language they
spoke at home was not
English

23,361
unique visits

to website with **9468** downloads.
(doubled from last year)

THESE ARE THE AREAS WE HELPED PEOPLE

27%
Hardship,
default, court
proceedings

20%
Home loans,
shortfall debts,
reverse
mortgages

20%
Australian
consumer
law issues

18%
other including
credit reporting,
responsible lending,
payday loans,
consumer leases
and debt vultures

15%
Car loans, personal
loans, credit cards,
guarantees

An introduction from our Board Chair and Managing Solicitor

CCLSWA Board Chair, Laurence Coleman and CCLSWA Managing Solicitor, Gemma Mitchell are delighted to present the 2019-20 Annual Report.

This has been a year of two halves. Like almost every organisation in the world, the COVID-19 global pandemic has brought unprecedented challenges. Through the height of the pandemic in WA, we closed the office and all staff worked from home. The remote working arrangements meant that the volunteer law students could no longer assist us with our work, due to the difficulties with supervision and confidentiality associated with home-based working. As a result, our CCLSWA solicitors ran the telephone advice line and gave advice directly to people calling in for help. Our committed team proved to be incredibly resilient and organised during this period, and were able to provide an almost continuous service. We returned to the office at the beginning of June, joined again by our volunteer team, strictly following government hygiene and distancing guidelines.

Throughout the pandemic, Gemma has been working with industry and government to shape responses to COVID-19 for the benefit of the Western Australian community. She met weekly with the Australian Banking Association, fortnightly with Federal Treasury, fortnightly with the Australian Financial Complaints Authority, and monthly with the Australian Finance Industry Association. Through these forums, Gemma provided real-time information to industry and government about the experiences of people who had contacted the advice line.



A highlight in our law reform work from the first half of the year was providing evidence in an ASIC public hearing into responsible lending in August 2019. We were one of the first organisations to publicly comment on the *ASIC v Westpac* decision regarding responsible lending. During this hearing, ASIC's Deputy Chair, Karen Chester, referred to CCLSWA as **"a lean, mean, machine in WA."**

Accolades like this are demonstrative of the reputation that CCLSWA is working hard to build in the industry.

Our board has undergone big changes this year. We bid farewell to our previous Chair, Elizabeth McCoy, Deputy Chair and former treasurer, Bev Jowle, and former secretary Rachael Doraisamy, as well as Tony Evans who had been on the board for four years. The board elected a new executive, with Laurence Coleman as Chair, Edward Souti as Deputy Chair and Sigourney Drane as Secretary, joining Treasurer Claire Whitelaw Brown. During the year, the board's membership was increased by two new members: Rob Klug and Melanie Callow.

Despite the challenges of these uncertain times, we are proud of our staff, volunteers and board members, who met these challenges head-on, and demonstrated again their commitment and passion for the work we do at CCLSWA.



**FINALIST IN THE NATIONAL
CONSUMER CONGRESS
CONSUMER ADVOCACY AWARDS**

Vision

A strong community,
empowered by fair
and just, consumer and financial,
rights and responsibilities.

Mission

To strengthen the consumer voice
in WA by advocating for, and
educating people about, consumer
and financial, rights and responsibilities.

Values



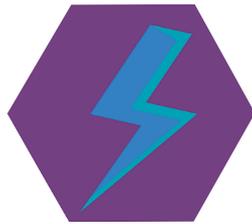
Excellence



Passion



Innovation



Empowerment



Collaboration

Our case studies



Sophia's Story

Sophia was a young woman, working as a professional and living in Perth. Despite having no savings and a lot of credit card debt that she couldn't repay, a mortgage broker signed her up for an expensive home loan and duped her parents into going guarantor, with their family home as security. Sophia couldn't afford the home loan payments from the start.

After getting married, Sophia discovered her husband was abusive, violent and controlling. She eventually managed to end the relationship. She then took a second job to try and meet her repayments; however, she continued to apply for new credit cards to transfer over her older debts. The severe stress of this debt

spiral caused Sophia to become very unwell, and she had to apply for Centrelink as she was too ill to work. This situation severely affected her parents, as they were guarantors to her unaffordable home loan. When Sophia contacted us, she was facing repossession of her home and would have a large shortfall debt. Her parents were likely to lose their family home too.

We successfully negotiated for Sophia to surrender her property without having to repay any shortfall debt after the property was sold, and her parents would not lose their family home. In total, we arranged for waivers of almost \$185,000 debt, for the home loan and multiple credit cards, giving Sophia financial freedom to start again.

Sophia said "The lawyers at CCLSWA are brilliant. They represented me for free and saved me from a lifetime of massive debt. I am debt free and can start fresh. I no longer have financial institutions hassling me."

Our case studies



Sarah's Story

Sarah is an 80-year-old widow. She was given a home loan when aged 70 that she could never have afforded. She lived in an apartment and owed almost \$100,000 to her strata company, who had commenced bankruptcy proceedings against

her. We assisted Sarah to claim a refund of \$115,000 in interest, fees and charges from her lender. We also negotiated for the lender to pay her strata fees in response to the bankruptcy notice she received.

She still cannot afford to live in the property and so will have to sell. However, our help has meant she has time to sell and more control over the sales process. She may be able to use the equity to find somewhere else to live.

Without our help, the strata company would have made her bankrupt and she would be homeless.

“ Without our help, the strata company would have made her bankrupt and she would be homeless. ”

“ We believe banks should never allow people to get into this much debt when they can't afford it. ”

Martin's Story

Martin came to us with an eye watering \$146,000 in unsecured credit card and personal loan debt.

We believe banks should never allow people to get into this much debt when they can't afford it. They should do correct assessments before debt takes over people's lives.

We achieved total debt waivers of over \$110,000 and a cash-in-hand refund of almost \$7,000 by proving irresponsible lending.

This reduced Martin's debt considerably and was the best outcome he could achieve.





Excellence

We have been working on a project with the McCusker Centre for Citizenship over the last year, to assess the impact of our service across the organisation. We are proud to report on the impact that our service has on our staff and volunteers.

Volunteer Impact

We survey our staff and volunteers every year to get a snapshot of their experience with CCLSWA and the impact it had on them. Our results are excellent.

100%
Strongly Agree

I would recommend volunteering at CCLSWA to my peers.

100%
Agree or strongly agree

I believe that my time at CCLSWA has enhanced my career prospects.

Staff Impact

Our staff results this year found that all staff agreed 100% with every statement in the survey!

100%
Agree

I clearly understand the CCLSWA vision and mission.

I feel we are aligned with our values.

I have had strong opportunities to improve my skills.

I feel we make a positive impact on the community.

I have a sense of accomplishment in my work.

I feel valued in my role.

“ Volunteer quotes

“I certainly recommend CCLSWA to my peers. I feel that I have increased my legal knowledge every day. In addition, CCLSWA has an excellent working environment. All supervisors and colleagues have been extremely supportive and approachable.”

“Volunteering has increased my confidence talking to people, which I feel will translate into professional and networking situations.”

“I am already thinking I might like to work for AFCA or an in-house internal dispute team and I will always have this perspective and appreciate the real life difficulties people face.”



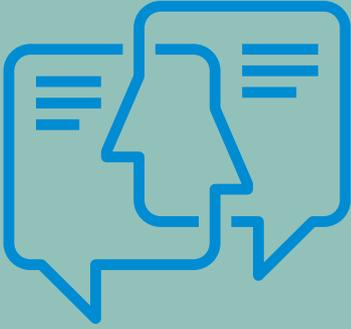
“ Staff Quotes

“CCLSWA is a wonderful environment to work in and to learn new skills. I am able to work with autonomy while knowing I have the support to try new things and reach out for help when I need it.”

The leadership and teamwork during COVID-19 as our day to day work changed rapidly, and the ongoing support of everyone in the team, really made this year much easier to manage from a work and personal standpoint.”

“I think the daily Zoom meetings have been great for maintaining a sense of unity and team spirit. I enjoy catching up with everyone and hearing about their work. I am glad the meetings have continued as we have returned to the office.”



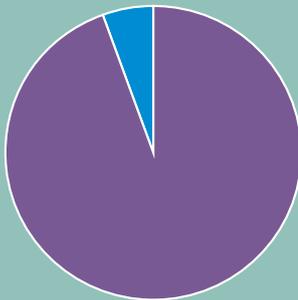


THESE ARE OUR CLIENT SATISFACTION SURVEY RESULTS

As part of the outcomes measurement project, we also surveyed all clients over the year and these are the results:

I plan on using the advice that CCLSWA has given to me.

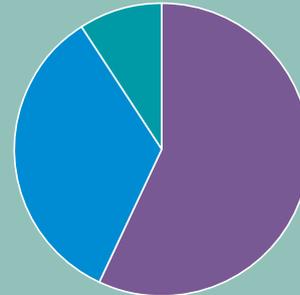
| | |
|-----------------------|--------------|
| Strongly Agree | Agree |
| 188 | 11 |
| 94.47% | 5.53% |



We also conducted a trial, calling back a small sample of our telephone advice line clients after three weeks, to see if they had resolved their legal issues. This project is ongoing, however we can report back that 91% of people in that sample felt more knowledgeable after receiving their advice.

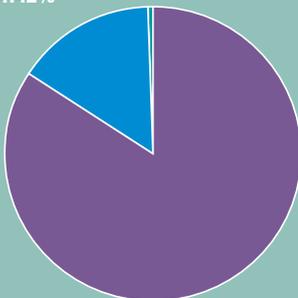
I feel more knowledgeable about similar legal matters

| | | |
|-----------------------|--------------|-----------------|
| Strongly Agree | Agree | Disagree |
| 57% | 34% | 9% |



CCLSWA Staff listened to my problem in a friendly and respectful manner

| | | |
|-----------------------|--------------|-----------------|
| Strongly Agree | Agree | Disagree |
| 168 | 30 | 1 |
| 84.42% | 15.08% | 0.50% |

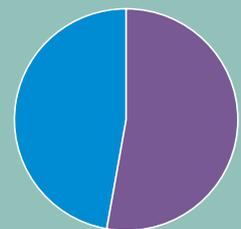


We also carried out impact assessment on our community education sessions.

We surveyed Financial counsellors after providing them with training, and found the following results:

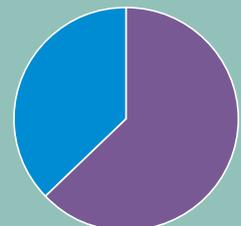
This information was relevant to you and your role?

Strongly Agree 53%
Agree 47%



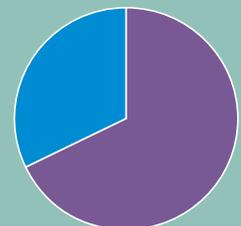
This information was easy to understand?

Strongly Agree 63%
Agree 37%



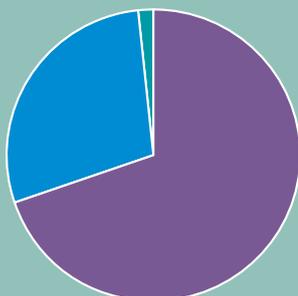
This information will help you, to help your clients, understand their financial rights & responsibilities?

Strongly Agree 68%
Agree 32%



I would recommend CCLSWA to my family and friends.

| | | |
|-----------------------|--------------|-----------------|
| Strongly Agree | Agree | Disagree |
| 139 | 57 | 3 |
| 69.85% | 28.64% | 1.51% |



Stakeholder Engagement

This year we can report we have participated in **110** different significant stakeholder engagement meetings and events. Of course, in the second half of the year many of these meetings and events have moved online due to the pandemic!

We continue to be involved in law reform projects advocating for change. This year we have been focusing on debt management firms. We call them debt vultures; this unique infographic was produced by one of our very talented former volunteers as an education tool to warn people of the dangers.

Gemma is a member of the following groups representing WA:

| | |
|--|---------------------|
| Australian Banking Association Consumer Outcomes Group | Consumer Advocate |
| Australian Financial Complaints Authority Consumer Advisory Panel | Consumer Advocate |
| Consumers Federation of Australia | Executive Committee |
| Community Legal WA | Executive Committee |

We also worked in collaboration with the Financial Counsellors Association of WA to produce an infographic when COVID-19 hit:



MONEY ISSUES IN COVID-19



BANKS ARE HELPING PEOPLE BY PUTTING OFF PAYMENTS, LOWERING INTEREST RATES OR WAIVING FEES.

Check your lender's website to see what assistance is available. Changes to credit reporting mean that any payments you miss because of COVID-19 will not be recorded on your credit file.

QUESTIONS ABOUT YOUR CONSUMER RIGHTS THAT MAY BE AFFECTED BY COVID-19, SUCH AS CANCELLATIONS AND REFUNDS?

You can look at the Consumer Protection and ACCC websites, or you can call CCLSWA for advice.

If you're having trouble with any of the above issues check out our website www.cclswa.org.au or call The Consumer Credit Legal Service (08) 9221 7066

We recommend those who are in financial difficulty see a financial counsellor. We would really encourage people to use this free service and not paid debt management firms, who often have very high fees for their service.

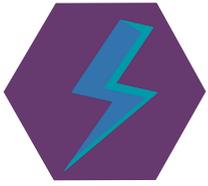
FINANCIAL COUNSELLING IS A FREE INDEPENDENT SERVICE THAT PROVIDES INFORMATION & SUPPORT TO PEOPLE WHO ARE IN FINANCIAL DIFFICULTY.

We recognise that many people have additional income due to the government stimulus packages. As these will not last forever, getting your finances in order now will avoid bigger issues down the track. To locate your nearest free service go to www.financialcounsellors.org

WA HAS ANNOUNCED A UTILITY FREEZE FOR HOUSEHOLD FEES. THIS MEANS THAT YOUR FEES WILL NOT GO UP

This includes electricity, water, motor vehicle fees and charges, emergency service levy & public transport fees. Energy Assistance Payment has doubled to \$610. Charges will be frozen until 1 July 2021. Power will not be disconnected during the pandemic.

Free financial information can be sought through The National Debt Helpline on 1800 007 007.



Empowerment

TRAINING

| | |
|------------------|---|
| 6 August 2019 | Pitch Perfect Training by WLWA |
| 7 August 2019 | Mediation Training by Judge Gething |
| 4 December 2019 | Mental Health presented by the Attorney General, organised through the Piddington Society |
| December 2019 | Online – Legalwise Credit Law Conference |
| January 2020 | First Aid Training |
| 24 February 2020 | Family Law with Curtis Ward, Legal Aid WA |
| 2 & 3 March 2020 | Responsible Lending & Borrowing Summit Sydney |
| 5 – 7 May 2020 | Unite 2020 / Hancock Creative / Online |
| 3 June 2020 | TAL refresher training for volunteers |



Law Reform

Our law reform project for Consumer Protection WA focused on 4 areas that affect the WA community and concluded in September 2019. Our key recommendations are:



RETIREMENT VILLAGES

- Enhance prudential supervision and provide a refund guarantee scheme to secure resident’s exit entitlements.
- Introduce a good faith requirement to resolve disputes, compulsory mediation, an extension of SAT’s ambit and a dedicated advocacy service to address the power imbalance in RV dispute resolution.



MOTOR VEHICLES

- Introduce a 3 clear business day cooling off period with no waiver, fees or penalties allowed to be charged within this period.
- Reduce the 15% pre-estimated liquidated damages routinely charged by dealerships to 5%.



AUSTRALIAN CONSUMER LAW

- Introduce ‘lemon-laws’ to bolster and bring clarity to consumer’s rights when they purchase a faulty vehicle.



DEBT VULTURES

- Introduce licensing requirements and embark on a rigorous awareness raising campaign to shed light on the nature and impact of ‘debt vultures’ and also make consumers aware of free services.



Innovation

VOLUNTEERS

Law school student volunteers are a vital part of our service. It's a mutually beneficial relationship. They gain fantastic experience, as they help us run our telephone advice line, under supervision.

Volunteers this year contributed to 3491 hours over the year.

PRACTICAL LEGAL TRAINING

Thank you to our PLT students this year: Tia Mc Salley, Lydia Chua, Sarah Inglis and Amanda Hockless who contributed almost 516 hours of their volunteer time to the centre.

VOLUNTEER INTERNSHIPS

We continued our valuable relationship with the McCusker Centre for Citizenship at UWA.

Charlotte Daintith and Riley Klug worked with Allison on the ongoing outcomes measurements project. Rigene Salang worked with Gemma on the Service Delivery Review.

In total, our interns contributed 300 hours to the service.

LAW REFORM

Some of our volunteers worked on the Consumer Protection law reform project adding up to 248 hours.

Community Education: 31 Activities 19 Resources

WEBINARS

We have all seen the increase in webinars during COVID-19. We were already focusing on webinars, keeping stakeholders up-to-date on the latest legal issues that affect their clients. These have continued with CCLSWA staff and volunteers presenting the following webinars this financial year:

#Refreshingtheregions to RAW, Law Access and Scales



4 "Hot topics" webinars to financial counsellors in partnership with FCAWA Topics: Consumer Leases, Buy Now Pay Later, Credit Files and AFCA



We ran an engaging set of presentations to the students of the Migrant English program across the Metro area.

Gemma presented to the Perth Festival of Literature and Ideas with Dan Ziffer ABC journalist and Author of *A Wunch of Bankers*.

Roberta, Georgina and Allison presented an all day masterclass at the Community Legal Centres Australia Conference in Brisbane. Gemma also presented on a panel called 'Power to the People: Consumer Law Rights' alongside Josh Mennen from Maurice Blackburn Lawyers, Gerard Brody & Catherine Miler from Consumer Action Law Centre and Alexandra Kelly from Financial Rights Legal Centre.

MEDIA

12 newsletters

We were Interviewed on 9 News about Debt vultures. Our client was also able to tell her story.

This year we have taken part in the Hancock Creative Gain and Retain program. This program has seen our Office Manager/ CLE coordinator become more educated in Social Media and how to get the best outcomes from it. We utilise our platforms to recruit law student volunteers. We also keep stakeholders informed of our achievements and to encourage new relationships. Social Media statistics have doubled since last year with 4,239 users engaged with our Facebook page over the year, equalling 16 per day, and 1,297 people viewing our LinkedIN pages.

Using the knowledge gained from the Hancock Creative program, we created a series of videos during COVID-19 to educate people on how to get help from us during the crisis and to educate them on the consequences of delaying payment.

The video we made on how to vary your payments reached 3,074 people via a paid Facebook advertisement. The video about credit card debt reached 1,300 people just using our networks.

We were able to launch these paid advertisements because of a COVID recovery grant from Ecstra.





Collaboration

SUBMISSIONS ON THE BUY NOW PAY LATER CODE

We coordinated a submission on behalf of the Consumers Federation of Australia on the Australian Finance Industry Association’s (AFIA) draft Buy Now Pay Later Code of Practice (the Code) with funding received from AFIA. Solicitor Sara Pearson ran this project with paralegal Amanda Hockless. The team collaborated with a number of consumer organisations around Australia to incorporate their views in the submission. CCLSWA was able to provide an in-depth analysis to AFIA on the Code’s impact for consumers and recommendations on how the Code could be amended to best protect consumers in this emerging industry of Buy Now Pay Later products.

Our volunteer board contribute their time to leading our organisation throughout the year. It is impossible to put a monetary value on their level of experience and passion for our organisation. We can report that they contributed 45 hours to the service overall.

Thank you to the following organisations/groups/ departments for their ongoing support and funding:

Australian Government Attorney-General’s Department, Government of Western Australia Department of Justice, Legal Aid of Western Australia, and The Law Society of Western Australia’s Public Purposes Trust.

We also thank the Ecstra Foundation for providing us with a grant of \$9,000 to assist with our transition to remote working during the pandemic and Hancock Creative for awarding us a grant for \$8,254 towards the Gain and Retain Program.



Gemma speaking at the Perth Festival of Literature and Ideas February 2020



The team at the Financial Counsellors Association of WA Dinner October 2019



Presenting the Master Class in Brisbane at the Community Legal Australia Conference.



The team at family law training presented by Curtis Ward, CCLSWA Alumni and Legal Aid lawyer in February 2020

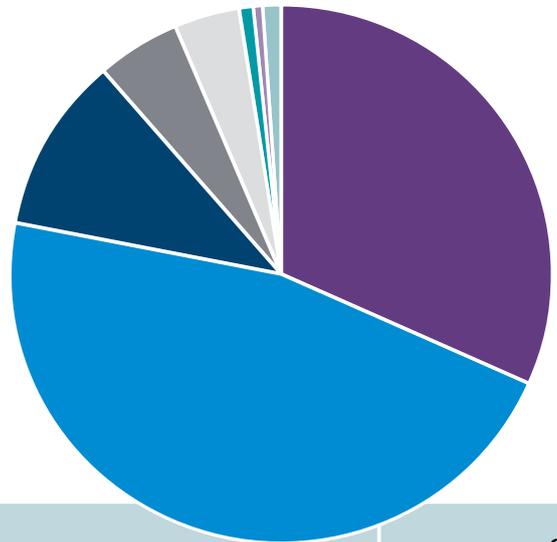


We appeared on 9 News on a feature about Debt Vultures with a client we were helping.



Gemma was nominated by us all, for Woman Lawyer of the year 2020.

Financial Summary 2019-2020



| EXPENSES | \$ | INCOME | \$ |
|--------------------------------|------------------|--|------------------|
| Human Resources | 694,113 | State | 474,497 |
| Staff Training and Development | 43,813 | Commonwealth | 324,846 |
| Premises Expenses | 67,972 | Public Purposes Trust Grant | 110,000 |
| Office Expenses | 77,809 | ATO Cash flow boost | 50,000 |
| Admin Expenses | 33,952 | Consumer Protection Grant | 38,801 |
| Programming & Planning | 25,666 | Consumers Federation Buy Now Pay Later Project | 8,636 |
| Other | 80,000 | Ecstra Foundation Grant | 7,122 |
| TOTAL | 1,023,649 | Service Generated Income | 9,745 |
| | | TOTAL | 1,023,647 |

Your CCLSWA team 2019/2020

*MANAGING SOLICITOR: Gemma Mitchell OFFICE MANAGER & COMMUNITY EDUCATION: Allison Sampson
SENIOR SOLICITOR: Roberta Grealish SOLICITORS: Georgina Molloy, Sara Pearson, Georgia Turco, David Ryan
LEGAL ADMINISTRATION 1 FTE position covered over the year period by: Ben Cochrane, Colm Divilly, Matthew Overton
BOOK KEEPER: Debbie Heath.*

*We farewelled Senior Solicitor Faith Cheok, Solicitors Nadia Rose-Agnello and Prachi Aggarwal,
and long term bookkeeper Dawn Emmanuel who retired.*



CONSUMER CREDIT LEGAL SERVICE (WA) INC

Level 1, 231 Adelaide Terrace Perth WA 6000

T (08) 9221 7066, 9:00am - 4:00pm F (08) 9221 7088 E cclswa@cclswa.org.au W cclswa.org.au

SERVICE DELIVERY HOURS

Telephone Advice Line: Monday- Friday 9:00am-4:00pm (08) 9221 7066

General Office open hours: Monday- Friday 9:00am-4:30pm (08) 6336 7020