



Homelessness Law's

# CONSUMER ADVOCACY PROJECT

**DECEMBER 2024**

Drawing from Homelessness Law's frontline casework, this report provides insights into the everyday financial issues impacting people with insecure housing and outlines the impact of holistic, trauma-informed legal assistance.

LawRight extends our sincere thanks to our pro bono and community partners for their collaboration and support of our work through our Homelessness Law's Consumer Advocacy Project.



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**“Thank you for helping me overcome my debts. As a young Blak woman transitioning from a small Indigenous community to Brisbane, while caring for my younger siblings, I found myself overwhelmed by significant debt incurred from payday loans taken out to simply make ends meet.**

**The weight of this financial struggle weighed heavily on me for a very long time, leaving me feeling hopeless at times.**

**Because of how ashamed I was, I never even spoke about it. Meeting [LawRight lawyer] Kate was a turning point, as she provided the guidance and assistance I needed to see a way through my challenges. I now understand the profound impact that financial struggles can have on one's life. I am immensely thankful for Kate's dedication and support in guiding me through these tough times. Thank you, Kate for everything.”**

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## ABOUT LAWRIGHT

LawRight improves the lives of vulnerable people by increasing access to justice through strategic partnerships. Each year, LawRight members deliver 22,000 hours of pro bono help to resolve complex legal issues that compound existing disadvantages for marginalised Queenslanders. LawRight's Patron is the Chief Justice of Queensland, the Honourable Helen Bowskill.

## ACKNOWLEDGEMENT OF COUNTRY

LawRight acknowledges the traditional owners of the land and waters throughout Australia and pay our respect to Elders past, present and emerging.

We benefit from the gifts of First Nations peoples, acknowledge the historical and ongoing injustices they bear, and support their call for power over their destiny.



# COMMUNITY & HEALTH JUSTICE PARTNERSHIPS | HOMELESSNESS LAW

LawRight's **Community & Health Justice Partnerships | Homelessness Law** is Queensland's free specialist legal service for people experiencing or at risk of homelessness. Homelessness Law implements a best-practice, outreach-based, trauma-informed service delivery model to resolve legal issues connected to a person's money, housing, health, and experience of violence.

In the last 12 months, we holistically helped **458 people** (including **341 new clients**) to resolve over **1096 legal issues**.

Recognising the benefits of integrated, holistic legal assistance, our staff lawyers are fully embedded in 8 frontline homelessness, community, and health agencies in both Brisbane and Cairns.

Staff work collaboratively with **frontline workers**, **financial counsellors**, **healthcare professionals**, and **pro bono lawyers** to resolve legal issues connected to a person's experience of **inequality** and **disadvantage**.

Homelessness Law delivers four targeted projects in collaboration with our longstanding community partners:

- 1. Homelessness Law's Consumer Advocacy Project**  
Addressing Financial Products Targeted at Queenslanders in Financial Hardship
- 2. Your Own Home**  
Preventing Homelessness for Women & their Families with an Experience of Violence
- 3. Stable Futures for Young Queenslanders**  
Stopping Homelessness for Children & Young People
- 4. Help to Heal**  
Helping Victim-Survivors Access Support and Avoid Homelessness

Through longstanding connections with the private profession, we scale our impact by working collaboratively with pro bono lawyers to achieve meaningful outcomes for our shared clients.

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**“Thank you all so much for the help you have given me to repair my life! I'm very grateful and I appreciate everything you have done for me.”**

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**were experiencing financial hardship**



**reported an experience of family violence**



**reported an experience of sexual violence**



**identified as having a disability**



## IMPACT THEORY:

# Resolving Financial Disputes Stops Homelessness

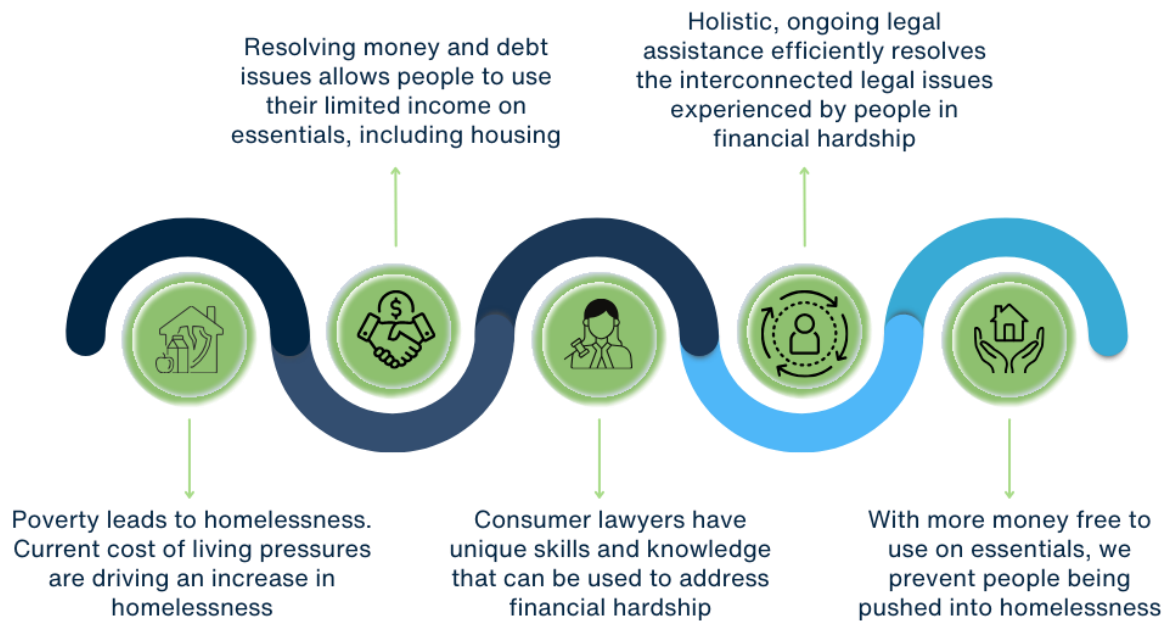
While the primary causes of homelessness are complex and intersecting, a lack of financial resources is a core determinant that explains whether significant life events result in an experience of homelessness. Put simply, **poverty leads to homelessness**.

The compounding housing and cost of living crises are pushing more Queenslanders into homelessness. Unable to afford basic, everyday life essentials, people living in financial stress and poverty experience persistent pressures that impact their **housing, health, relationships**, and the **ability to achieve positive long-term goals**. For low-income renters, any increase in living expenses or debt repayments can lead to eviction and ultimately, homelessness.

Already living below the poverty line and excluded from traditional forms of credit, low-income households disproportionately use precarious credit products. Many **high-cost credit products are targeted at marginalised members** of the community already in financial hardship. To meet their obligations under these agreements, many consumers of these products go without life essentials such as food, medicine, and clothing.

Homelessness Law's Consumer Advocacy Project provides **impactful, tailored representation** to **prevent and end homelessness** by resolving consumer money and debt issues impacting marginalised Queenslanders in financial hardship.

## Addressing poverty stops **HOMELESSNESS**



**IMPACT THEORY:****Empowerment Through Representation**

Financial literacy is an essential life skill with far-reaching benefits. Being empowered with financial understanding and knowledge allows low-income Australians to effectively use financial products, manage debts and income, budget for future expenses, and enforce consumer rights and protections. It allows informed decisions to prevent future issues arising, while equipping individuals to take early steps to resolve disputes that do arise before they escalate.

Homelessness Law **empowers** and **upskills** its clients through **ongoing, collaborative representation**. Staff and pro bono lawyers work closely with clients over extended periods to resolve money and debt issues. Clients develop **improved financial knowledge** and literacy while working closely with our lawyers to resolve money and debt issues. Empowerment through representation is **strengths-based, timely** and **impactful**.

Homelessness Law's Consumer Advocacy Project Impact since 2019:



**733 people** holistically helped to address **2071 legal issues**, including **1100 high-intensity** ongoing casework supports.



**\$2,739,000 in consumer debts resolved**



Through collaborative representation, we **empower our clients** through increased knowledge and financial literacy

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*"The team at Lawright literally saved my life! I was suicidal, homeless and in over \$40,000 in debt with no way out. It was a very dark time. They have had my back and words cannot explain how much the unwavering support has helped me become the person I am today with next to no debt and life skills that I would not have gained anywhere if not for them. Thank you for everything. From the bottom of my heart!"*

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## IMPACT THEORY:

### Collaborating to Scale Impact

Homelessness Law scales its community-wide impact by collaborating closely with frontline workers in the community assistance sector.

Our staff empower frontline workers to take **early, practical** or **proactive steps** to resolve legal issues impacting our shared client groups through collaborative working arrangements, training, and by providing legal resources. Working closely both on individual files and while embedded at community agencies allows for targeted and fluid sharing of information and knowledge, in an effective and timely way.

Our financial year impact:



**960 frontline workers** empowered to take early practical steps in **32 training sessions**



**13 targeted** legal resources



**62 tailored** secondary consults

People experiencing financial hardship are more likely to approach frontline community services for assistance. Frontline workers play a vital role in helping vulnerable community members to take early, practical steps to address financial disputes, including appropriate connections to expert legal help. By empowering frontline workers in multiple community agencies across Queensland, Homelessness Law can expand its impact and reach to the thousands of high-risk individuals supported by knowledgeable frontline workers.

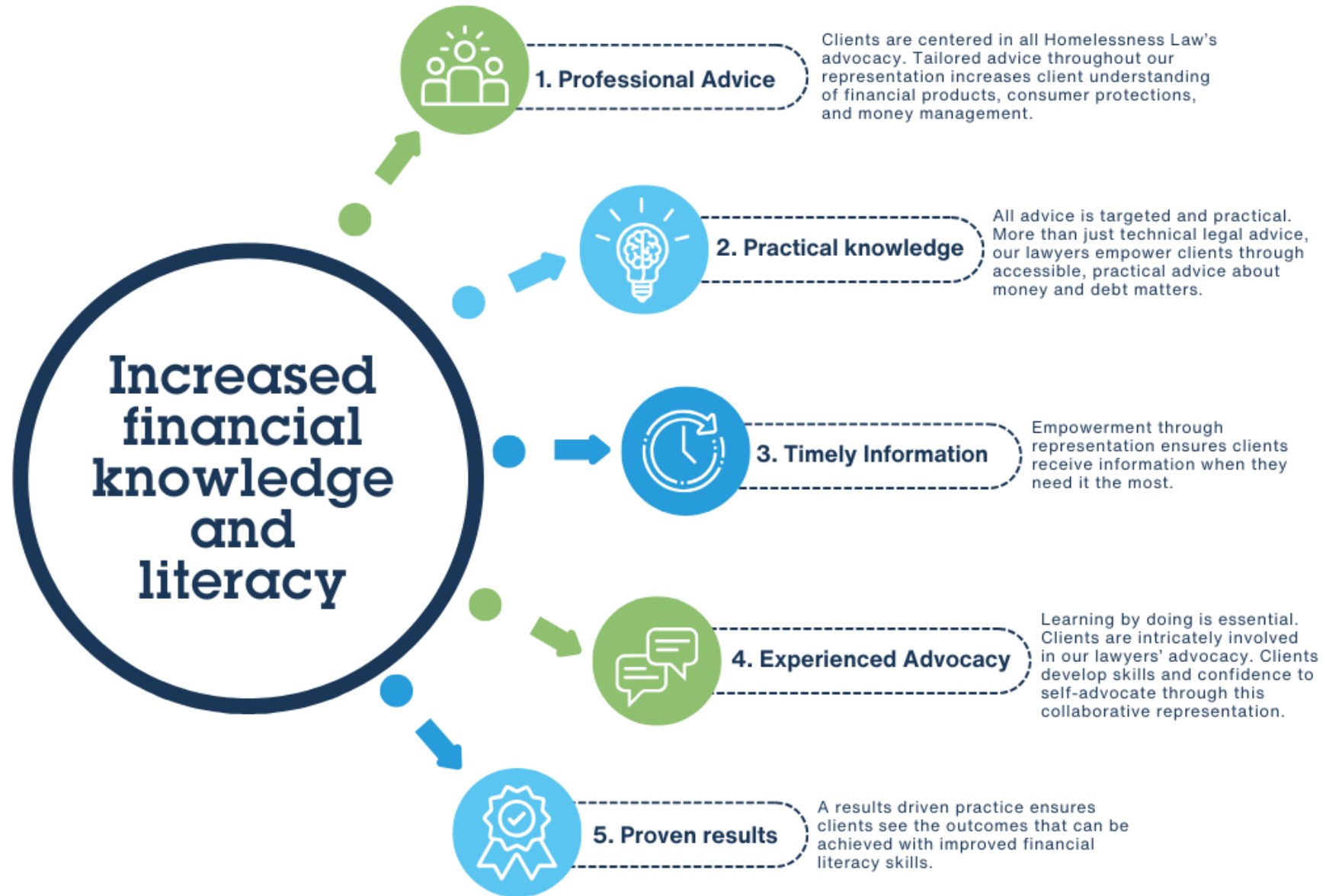
The benefits of our longstanding partnerships with the community assistance sector are multidirectional. By embedding our lawyers in established community agencies, we benefit from the collective knowledge of the hundreds of experienced workers and the internal structures offered by these agencies. Shared learnings from this close collaboration informs Homelessness Law's continual improvement framework. As a direct result of these learnings, we have implemented changes that ensure our services remain accessible, targeted, and responsive.

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**“LawRight and the volunteer lawyers are invaluable for the people we as an organisation support. The air of safety, security, and hope that [lawyer] brings with her work is nothing short of a miracle, and she delivers on her goals that she sets with our clients”**

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## Leveraging Insights to Improve Legal Options

Homelessness Law further scales our impact by leveraging our insights working with vulnerable Queenslanders to advocate for improved legal options. Through our participation in various community networks and forums, we provide regulatory bodies and government departments important insights into the issues faced by our clients. Amongst others, we are longstanding members of the ASIC Consumer Regulator Forum, RTA Stakeholder Forum, National Lemon Cars Working Group, NQ Consumer Taskforce, and Make Renting Fair Alliance.

### Supporting young mother to enforce her legal rights

Isabelle was connected to LawRight by her social worker following a presentation by LawRight's embedded staff lawyer, Kate. Although initially reluctant, Isabelle agreed to meet with us when assured by her social worker that Kate was 'one of the good lawyers'.

In severe financial hardship, Isabelle had various debts to payday lenders, banks, and buy-now-pay-later providers. The repayments left Isabelle unable to afford basic life essentials. She also had a large and unaffordable car loan debt.

Over several months, LawRight negotiated with hardship waivers totalling almost \$10,000 with Isabelle's creditors. After identifying breaches of responsible lending obligations, we negotiated a refund of \$2,500 with the car loan provider. Importantly, Isabelle gets to keep the car.

We continue to work with Isabelle to resolve her remaining debt disputes, while also supporting her to apply to Victim Assist to support her recovery from a violent relationship. With her financial position stable, Isabelle can focus on working with her social worker and counsellor.

Leveraging our client matter expertise, we offer insights into proposed legislative changes. Examples include:

- Providing feedback and commentary in support of the *Victims of Crime Assistance and Other Legislation Amendment Act 2023*.
- In consultation with other consumer advocacy groups, providing feedback and reflections to inform the Senate Economics Legislation Committee consideration of the *Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Bill 2024*.
- Supporting informed protections for Queenslanders in financial hardship through detailed submissions to the Senate Economics Legislation Committee's inquiry into the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2019 (No. 2)*.
- Providing submissions to ASIC consultation papers 316 and 355. Our submissions supported ASIC's proposal to make intervention orders prohibiting credit providers and their associates from providing short term credit and collateral services.

In the last 12 months, Homelessness Law has used evidence from our clients' experiences to advocate for systemic change through 16 distinct law reform activities.



## CLIENT INSIGHTS: STOPPING THE DEBT TRAP

Financial disadvantage does not exist in a vacuum. Taking a holistic approach, our staff and pro bono lawyers support clients to resolve the various legal issues that impact their lives, including money and debt matters, tenancy disputes, fines and infringements, and issues that arise following an experience of violence.

In this part, we provide our insights on how financial disadvantage impacts legal and non-legal issues faced by our clients.

Last financial year, we supported our clients to fully resolve **\$569,018** in consumer debt disputes, predominantly resolving financial products targeted at people in financial hardship.

### Resolving Payday Loans Stops the Debt Spiral

Queenslanders in financial stress often turn to high-cost loans, including payday loans, to cover everyday living expenses. High-cost financial products impact those already in financial hardship the hardest. Left unaddressed, these products further compound financial disadvantage, beginning a debt spiral that compounds existing hardships and can lead to homelessness.

Homelessness Law provides comprehensive representation that empowers Queenslanders with housing insecurity to understand and enforce their legal rights. By resolving the money and debt matters compounding a person's financial hardship, we stop the debt spiral and keep people safely housed. Unburdened by financial and housing stress, our clients can focus on activities that improve their wellbeing, autonomy, and productivity.

Learnings from our casework evidence both the vulnerability experienced by people accessing high-cost loans and the benefit of holistic legal supports. A random review of 20 client files showed:



Most people presented with multiple high-cost loans. We assisted the 20 individuals to resolve 141 payday loans (mean 7.5, median 3), as well as other precarious credit products.



We identified concerns about how the loans were provided (including whether the loans were provided in breach of the responsible lending laws) in all matters (90%) where this was investigated. We did not fully explore these issues in the remaining 10% of matters based on our client's instructions.





All clients were in financial hardship and living below the poverty line. 94.5% relied on a Centrelink benefit and 85% had insecure housing.



90% of clients presented with other debt and money issues, often directly connected to their experience of poverty and housing insecurity.



70% of clients reported an experience of violence, often connected to their financial hardship, while 65% identified as living with a disability.

Through our representation, Homelessness Law has fully resolved 70% of these matters. We continue to assist on the remaining 30% and expect these matters to resolve shortly.

## Resolution of payday loans

25% Refund to our client  
30% Ongoing matters



10% Reduction and  
affordable payment plan  
35% Resolved without  
any further payment

All Homelessness Law clients are in financial hardship and experiencing or at risk of homelessness. 94.5% of our clients **receive Centrelink payments** or **have no income**.

By resolving high-costs loans targeted at people in financial hardship, Homelessness Law improves people's financial capability and capacity, allowing them to use their limited income for everyday life essentials. By addressing the underlying drivers of poverty, we help keep people safely housed. This is illustrated in Dianna's story.



### **Enforcing legal protections for young mother living with a disability**

Dianna is a young woman living with a disability that impacts her ability to work. Her only income is a disability support payment, which only covers her basic, everyday living expenses. Leveraging the trust of our long-standing partnership, Dianna's community support worker connected her to our embedded lawyers for help when her debts put her housing at risk.

Dianna had effectively managed her limited income for multiple years, balancing a tight budget as a single mother. However, after an unexpected cost left her with no money, she took a high-cost, short-term loan to buy groceries. This started a debt spiral that Dianna couldn't stop.

When Dianna first connected, she was in significant debt that put her housing at risk. She couldn't pay her current payday loan and had multiple other small unpaid debts. Investigations from Homelessness Law's pro bono and staff lawyers revealed 19 previous loans from the same provider that incrementally increased as Dianna's financial position worsened. Staff and pro bono lawyers reviewed each loan against the lender's legal responsibilities, forming the view that the loans were provided in breach of the lender's responsible lending obligations.

Making strong responsible lending arguments, Homelessness Law negotiated a refund of over \$5,000 and a cancellation of Dianna's current loan agreement. Adopting a holistic approach, our lawyers negotiated waivers of her other debts, allowing Dianna to use her limited income to keep her son safely housed. We worked closely with her other supports to ensure our help was co-ordinated, impactful and tailored to Dianna's longer-term goals.

Underpinned by principles of empowerment and strength-based assistance, our lawyers worked with Dianna to help her understand her legal rights and obligations. We workshopped other options she could use to avoid high-cost loans. We also provided tailored legal advice to inform her decisions on how to use the refund money. Dianna commented that she felt empowered to make informed decisions about her money going forward.

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**"Thankyou! That is fantastic news and such a relief. I am incredibly grateful and appreciative, and the timing of this outcome could not have been any better."**

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## CLIENT INSIGHTS:

### Resolving High-Cost Car Loans

A car is more than just a mode of transport. It can be a lifeline to essential services and supports, a necessary precondition to finding employment, and a means to travel to connect with family and community. A car can also be the most expensive item a person will buy. For low-income earners excluded by traditional lenders, poor value, high-cost car loans can seem like the only available option. An unaffordable and inappropriate loan can further compound a person's financial and personal hardship.

**Homelessness Law's Consumer Advocacy Project** has seen a noticeable increase in issues connected to the purchase of second-hand vehicles, including:

1. Systemic practices of providing unaffordable and inappropriate loans to people already in financial hardship, in breach of responsible lending obligations.
2. Difficulties accessing and enforcing legal protections provided to buyers of new and used cars.
3. Lenders relying on the car seller or a broker to provide accurate and timely information about the loan agreement to the consumer.
4. The continued impact of flex-commissions, add-on insurance, and other point-of-sale add on costs.
5. Vulnerable consumers being burdened with high-cost, unaffordable loans long after the vehicle has been lost, for example through repossession, being surrendered following major mechanical issues, being stolen, written-off or where the car was taken by a violent ex-partner.

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**“It felt like LawRight were the only ones who showed up and really tried to help me get support and justice. I wish more people knew about this service and could access it. It was so vital to me feeling a sense of respect and worth again after going through some really horrible experiences with family and partners.”**

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### Supporting single young mother to resolve historic car debts

Rihanna is a single mother with a very young child. She was connected to Homelessness Law by a financial counsellor for assistance to resolve a high-cost car loan. When she first connected, Rihanna was in significant debt that put her housing at risk.

Living in a regional town, Rihanna desperately needed a car after the birth of her first child. Despite being a young, single mother relying on Centrelink benefits and without a deposit, the car salesperson successfully helped Rihanna to apply for a \$7,000 loan. The salesperson 'maxed out' the loan with unnecessary add-on products. These products, the application fee, and the salesperson's commission added an additional 40% on to the loan amount. Rihanna was required to pay 25% interest on this inflated amount.

Rihanna fell into arrears almost immediately. The repayments accounted for almost 20% of Rihanna's Centrelink benefit, an unaffordable amount given she was already in financial hardship. Further compounding her hardship, the vehicle had mechanical problems within a few months of its purchase. Despite her best efforts, Rihanna's calls to the dealer went unanswered. Unsure what to do and unable to pay to have the car fixed, Rihanna sold the car to a scrape yard.

Despite no longer having the car, Rihanna was still burdened by the car loan. Over the course of 5 years she made payments when she could, often in response to calls from the lender. By the time she got legal advice, Rihanna had paid over \$12,000 towards the loan but still owed the original purchase price. Working collaboratively with Rihanna's other supports, Homelessness Law's staff and pro bono lawyers successfully argued that the loan was provided in breach of the responsible lending obligations. We negotiated a waiver of any amounts alleged to be owed and a refund of the amounts Rihanna paid over the purchase price.

Without the burden of this loan, Rihanna is able to dedicate her limited income to her everyday living and housing costs.



**CLIENT INSIGHTS:****Providing Holistic, Trauma-Informed Supports to Victim-Survivors**

Violence impacts all aspects of life. The financial costs following an act of violence can be long-lasting, creating an insurmountable barrier to recovery. In close collaboration with frontline community workers, Homelessness Law supports victim-survivors to resolve the intersecting everyday legal issues that commonly arise following an act of violence.

The connection between an experience of violence and financial hardship is multidirectional: financial hardship and housing insecurity increases the likelihood of an experience of violence; an experience of violence can include financial abuse; and the trauma associated with an experience of violence can push someone into financial hardship. By resolving money, debt and housing issues following an experience of violence, we can provide the space for victim-survivors to heal.

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**“I've never come across a team so dedicated. [LawRight staff lawyer] Bonnie has already changed my life with the amazing job she done. She's given me hope in the human race.”**

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Learnings from our casework evidence the financial impact of an act of violence. A random review of 25 client matters showed:



Most victim-survivors reported multiple experiences of violence. The **25 individuals** collectively had **54 successful applications** to Victim Assist Queensland (average 2.16).



All victim-survivors were in financial hardship and struggling to resolve various debt and money issues, often directly connected to their experience of violence. When they first connected, the 25 victim-survivors owed **\$222,646.43** in **86 unresolved debts** (average 3.62 per victim-survivor). The average debt per victim-survivors was **\$10,115.48**.



We identified at least **45 other distinct legal issues** (average 1.8 per victim-survivor). Of the files reviewed:



- 60% had government fines being managed by the State Penalties and Enforcement Registry, including fines connected to an experience of violence.
- 35% had a current tenancy dispute, including disputes that arose following an act of violence.

These figures likely underreport the range of legal and non-legal issues experienced by victim-survivors, including the impacts on health responses, interpersonal disputes or concerns, feelings of trust and safety, and future impacts of trauma.

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**“Kate from LawRight is doing god’s work! She clearly explained everything to me, and the process moving forward. She was kind, helpful and calming. She made me aware that I was not alone and that they had resolved similar issues recently, which gave me my sleep at night back. Thank you Kate and team, appreciate your work.”**

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### **Holistic multidisciplinary services support First Nations victim-survivor**

Abigail is a young, First Nations mother. She first connected to Homelessness Law through one of our embedded partnerships following an experience of intimate partner violence.

When Abigail fled her previous relationship, she was burdened with significant debts connected to her experience of violence. She was struggling to repay a car loan of almost \$30,000. She was given the loan at 19 years old, despite only having a limited income from a recently obtained customer service job. When she met with our lawyers, Abigail disclosed that she was unable to make her repayments and she feared losing her car. Abigail's car allowed her to stay connected to her community supports and was necessary for her to remain employed.

Homelessness Law's embedded staff and pro bono lawyers successfully argued that the loan was irresponsibly lent. We negotiated for Abigail to keep her car, the loan to be reduced to an amount significantly below the purchase price, the remaining amount be repaid through an affordable payment plan, and for no fees or changes to be applied to the loan.

While assisting Abigail, she disclosed that she had fallen into arrears with her childcare provider when she fled violence. She was able to pay for childcare going forward but didn't have the money to the arrears and was concerned she wouldn't be able to work if she lost her childcare. Homelessness Law used the DFV Rent Assist Brokerage to pay the arrears, ensuring Abigail was able to keep working.

Working closely with Abigail's support workers, we successfully assisted her to access financial and recovery support through Victim Assist.

Complementing our assistance, Abigail's support workers have provided budgeting and financial literacy assistance, including how she may use Victim Assist payment. As she moves into safe and stable accommodation, Abigail feels empowered to address any future issues that may arise.

Reflecting on the assistance she received, Abigail shared:

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**"It has been so nice working with LawRight. They have absolutely helped me with my debts and I 100% recommend anybody who needs help to contact them."**

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