

## This report provides a snapshot of our full year of operations in 2016–17.

### Snapshot of service delivery

In 2016–17, we delivered more services and helped more people experiencing disadvantage.

Clients as at	2016–17	2015–16	Variance
Unique clients	90,649	86,847	4%
Calls dealt with by our Legal Help telephone service	125,512	111,504	13%
<b>Preventative services</b>			
Calls to our Legal Help telephone service	191,030	186,389	2.5%
Information and community legal education services	129,260	126,284	2%
Sessions on our website	2,034,706	1,760,227	16%
<b>Duty lawyer services</b>			
In-house and private practitioners	93,697	87,162	7%
<b>Grants of legal assistance</b>			
In-house, private practitioners and community legal centres	41,638	38,345	9%

We have seen an increase in the number of socially and economically disadvantaged people seeking help. Our ability and capacity to help those most in need is at its peak—we are unable to keep up with the growing community need. This end year report explains how the increasing demand for our services is a result of the external environment—a combination of more police, additional child protection workers, changes to sentencing and bail laws, additional family violence reports, changes in the law and the impacts of drug use, in particular the drug ice.

In response to the external pressures and the higher demand across summary crime, family violence, child protection and indictable crime, our expenditure grew by \$18.9 million. This was not unexpected as we forecasted a surge in grants of legal assistance and duty lawyer services and a modest increase in calls to our Legal Help telephone service.

While we continue to monitor service levels and expenditure, and are thankful for the additional investment announced by the Victorian Government throughout the year, we remain concerned about the current and growing demand on the justice system. Much of the new investment will go towards new services such as expansion of family violence duty lawyer services or system reforms in youth justice and serious criminal matters, which are welcome initiatives but do not address the current situation particularly in the criminal justice system. We will continue to seek support for reform and investment, so we continue to deliver high quality and sustainable services, ensuring Victorians have access to better justice, every day.

In the coming year, our total revenue will increase by \$21.7 million while expenditure is forecast to grow by \$23.9 million. The increase in expenditure will see expansion in our services, community legal centre services and private practitioner services. Community legal centres and the private profession will help meet growing demand for grants of aid in areas such as child protection, summary crime, youth crime and independent children’s lawyers, while our staff practice will also receive much needed additional capacity across the state. We will keep innovating and we remain committed to preserving and improving eligibility over time so that more Victorians can access justice.

### Our clients

In 2016-17, we helped 90,649 unique clients<sup>1</sup>, including clients seen by a private practitioner duty lawyer, an increase of four per cent.

Unique clients as at	2013-14	2014-15	2015-16	2016-17
Unique clients	81,400 <sup>2</sup>	85,007 <sup>2</sup>	86,847	90,649

**Growth**

Our clients are presenting with more serious legal and non-legal issues, and therefore more likely to need our most intensive service (grants of legal assistance, which pay for a lawyer to represent a client on an ongoing basis in their matter).

We have seen a dramatic increase in the number of socially and economically disadvantaged Victorians needing our help. Many of our clients experience language, cultural or literacy barriers, illness, disability or geographic isolation, while most of our clients receive some form of government income assistance or have no income at all.

The level of disadvantage amongst our clients has grown significantly, with increases in:

- **clients reporting no income** ↑ **7.6%**
- **clients who are homeless** ↑ **22.2%**
- **clients in custody, detention or psychiatric care** ↑ **11.3%**
- **Aboriginal or Torres Strait Islander clients** ↑ **19.3%**
- **Culturally and Linguistically Diverse clients** ↑ **3.9%**

Of the clients we helped:



<sup>1</sup> A unique client is an individual who accessed one or more of our legal services. This does not include people for whom a client-lawyer relationship was not formed, who received information via the telephone, website or in-person at court or at a public counter, who participated in community legal education sessions, or clients from community legal centres.

<sup>2</sup> This does not include clients assisted by a private lawyer through VLA's private practitioner duty lawyer scheme.

## Services we provide

### Grants of legal assistance

We provide grants of legal assistance—Victoria Legal Aid’s most intensive, and expensive, form of assistance—to people who cannot afford a lawyer, who are experiencing a significant legal problem that we can help with and who meet our eligibility criteria. Clients with a grant of legal assistance can be helped by a Victoria Legal Aid lawyer or a lawyer on one of our panels, including private practitioners and lawyers from some community legal centres.

There was a nine per cent increase in grants of legal assistance, coming off the back of an 11 per cent increase in 2015-16. The steady increases can be attributed to the flow on effects of additional front line police, child protection workers and changes in government policy.

In 2016-17, there were:

- 16,502 grants for summary crime ↑ 13%
- 3,548 grants for indictable crime (includes sexual offences) ↑ 9%
- 8,206 grants for child protection matters ↑ 6%
- 1,345 grants for Independent Children’s Lawyers ↑ 11%

Grants of legal assistance	2013-14	2014-15	2015-16	2016-17
Crime	19,356	20,126	22,785	25,302
Family, Youth and Children	12,995	13,226	14,415	15,178
Civil	1,112	1,329	1,145	1,158
<b>Totals</b>	<b>33,463</b>	<b>34,681</b>	<b>38,345</b>	<b>41,638</b>



### Spotlight—summary crime and child protection

The growth in summary crime can be attributed to several factors, including higher crime rates in the community, increases in front line police numbers, increases in prosecutions of breaches of family violence intervention orders and family violence matters drawing harsher penalties at court requiring grants of legal assistance. In June, we released an independent review of our adult criminal law services in the Magistrates’ Court. The report makes 23 recommendations about what is required to repair the summary crime system and create a space for ‘better justice, every day’. We are working closely with police, the courts and government to come together and make a concerted effort to reform the system for clients, victims and those who work in the system day in, day out.

The spike in child protection grants of legal assistance is a result of additional child protection workers and additional child protection activity driven in part by the increased response to family violence incidents. We have finalised a comprehensive review of child protection legal aid services and will begin implementation of the recommendations this year.

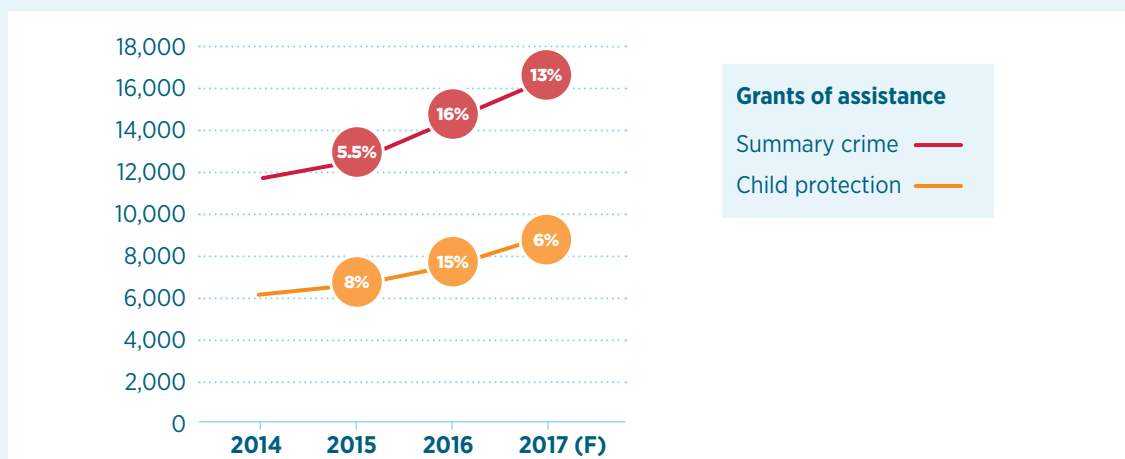


Table *Spotlight—summary crime and child protection* illustrates the steep increases for grants of legal assistance in child protection and summary crime.

### Who delivers our grants?

In 2016-17, 73 per cent of grants of legal assistance were assigned to private lawyers on our panels, a slight increase from 70 per cent last year. This included:

- 68 per cent of criminal law grants ↑ 3%
- 85 per cent of family and children's law grants ↑ 3%
- 18 per cent of civil law grants **No increase**

This increased participation reflects private practitioners' capacity to scale up quickly in response to increased demand.

Grants of legal assistance	2013-14	2014-15	2015-16	2016-17
In-house	9,760	11,176	11,456	11,226
Private practitioner	23,270	23,097	26,360	29,735
Community legal centres	433	408	529	677
<b>Totals</b>	<b>33,463</b>	<b>34,681</b>	<b>38,345</b>	<b>41,638</b>

### Duty lawyer services

Victoria Legal Aid lawyers and some private practitioners (including community legal centre lawyers in some instances) are on 'duty' at many courts and tribunals across Victoria to help people who are at the court or tribunal for a hearing, but do not have their own lawyer.

Our duty lawyers provide free legal information, advice and representation to clients. Duty lawyers do not represent everyone. We prioritise serious cases, including people who are in custody, or at risk of going into custody and people needing intensive support.

Community legal centres, including Aboriginal and Torres Strait Islander Legal Services, also deliver family violence duty lawyer services, some of which is funded by VLA, however these figures are not included in the below statistics.

Duty lawyer services	2013-14	2014-15	2015-16	2016-17
	71,944	83,674	87,162	93,697
<b>Growth</b>		16%	4%	7%

We experienced a significant increase in demand for duty lawyer services, up seven per cent, and up 30 per cent over four years. Similar to grants of legal assistance, demand is largely driven in summary crime, family violence and youth crime areas.

Of our in-house duty lawyer services in 2016-17:

- 5,192 services were for family violence intervention order matters ↑ 18%
- 2,447 services were for burglary and related offences ↑ 9%
- 1,877 services were for dishonesty offences involving motor vehicles ↑ 21%
- 2,441 services for criminal damage matters ↑ 20%

### Legal advice and minor assistance

Victoria Legal Aid lawyers provide legal advice and minor assistance to help people resolve their legal problems as early as possible and in some circumstances, avoid the need to go to court.

Legal advice is provided over the phone, face-to-face at our offices or via outreach services. Minor assistance is provided where there is a need for some ongoing assistance such as providing written advice, making phone calls and negotiating on a person's behalf.

Legal advice and minor assistance	2013-14	2014-15	2015-16	2016-17
	46,178	48,806	40,770	41,725
<b>Growth</b>		6%	16.5%	2%

This year, we reduced our target for legal advice and minor assistance to reflect the increased demand for other more intensive services, such as duty lawyer services and case work under grants of legal assistance.

### Legal Help telephone service

Our free Legal Help telephone service is a major access and triage point for legal aid services, as well as a referral source to other parts of the legal assistance sector. The top five matters dealt with by our Legal Help telephone service were:



Legal Help telephone service as at	2015–16	2016–17
Calls to the service	186,389	191,030
	<b>Growth</b>	<b>2.5%</b>
Calls answered	111,504	125,512
	<b>Growth</b>	<b>13%</b>
Answer call wait time	7m 26s	8m 42s
Average call duration	8m	9m 47s

Due to changes in reporting, only two years' worth of data is available.

Demand for help over the phone is increasing. Our Legal Help team answered more calls this year and spoke to the people they were advising for longer, an average of nine minutes and 47 seconds. The longer call lengths can be attributed to the increase in more intensive matters, meaning our staff took the time to explain more complex and difficult issues. As we look to modernise and expand Legal Help, making it the main entry point to the legal assistance sector, the systems and support tools will be further upgraded and refined.

### Our partnerships—private barristers

Barristers appear in matters pursuant to a grant of aid and in some duty lawyer services. Barristers are generally chosen by the instructing solicitor, who exercises their professional judgment and experience to choose whom to brief.

Barristers wishing to be briefed in indictable criminal trials of more than 15 days in length must be members of our Criminal Trial Preferred Barrister List. Applicants for membership must demonstrate experience in the skills required to conduct indictable criminal trials.

Includes all costs paid including circuit fees, travelling cost and other expenses.

	Briefed by private practitioner (\$)	Briefed by Victoria Legal Aid (\$)	Total (\$)
<b>2016–17 Total all barrister payments</b>	15.9 million	4.6 million	<b>20.5 million</b>
<b>2015–16 Total all barrister payments</b>	14.2 million	4 million	<b>18.2 million</b>

When briefing a barrister from the private Bar, our recommendations take into account diversity, equality and the development of promising advocates.

We are proud that 54 per cent of significant<sup>3</sup> cases were briefed to female barristers at the private Bar (an increase of 17 per cent). This compares very favourably with the target of 30 per cent by the year 2020 set by the National Model Gender Equitable Briefing Policy.

Over \$7.5 million was paid to female barristers at the private Bar, up from \$6 million in 2015–16, and over \$8.6 million was paid to female barristers in-house and at the private Bar, up from \$6.9 million in 2015–16.

<sup>3</sup> Significant cases includes County and Supreme Court trials, County and Supreme Court pleas, contested committals and serious sex offender supervision contests.

### Other Victoria Legal Aid headlines for 2016-17

**September** – Our Independent Mental Health Advocacy team celebrated its first year providing services in 34 mental health outposts across Victoria.

**October** – The Victorian Access to Justice Review report was released recognising the importance of a fair and accessible justice system and the need for more investment from both State and Commonwealth governments to overcome 'stretched' services.

**October** – We released a consultation and options paper for our Child Protection Legal Aid Services Review to help inform options for improving legally aided child protection services.

**November** – Along with Peninsula Community Legal Centre and Hume Riverina Community Legal Service, we launched new pilots to provide a continuing family law service for parents first dealing with a family violence intervention order in the state Magistrates' Courts.

**December** – We launched a Health Justice Partnership with Sunraysia Community Health Service in the Mallee region.

**December** – Attorney-General Martin Pakula officially opened the new state-of-the-art Victoria Legal Aid office in Shepparton.

**February** – As part of the Means Test Review, we released an options paper, seeking feedback on the options we propose to create a simpler and fairer means test.

**March** – National Disability Insurance Scheme test case win for our client, Liam McGarrigle, in Federal Court. The ruling means that the NDIS agency's current policy to only make a partial contribution toward transport and other costs will be overturned.

**May** – We held our first official event in recognition of National Sorry Day, 26 May.

**June** – Launch of our new Family Advocacy and Support Services, which places lawyers and specialist family violence support workers in the daily family law courts in Victoria, at Melbourne and Dandenong.

**June** – We released an independent review of our criminal law services in the Magistrates' Court. The landmark report highlights the need for a better Magistrates' Court system for all Victorians.

### Financial summary

In 2016-17, we spent more and grew our services accordingly. We finished the year with a \$9.9 million deficit from transactions, our day-to-day business. The result is an \$11.5 million decrease on our prior year surplus of \$1.5 million, and reflects a significant growth in operating expenditure which has resulted from escalating demand for our services.

The comprehensive deficit was \$10.9 million compared to a \$2.7 million surplus last year.

Case-related payments which include payments to private practitioners, barristers, medical experts and interpreters, as well as to third parties for services provided for cases run by Victoria Legal Aid lawyers, increased by \$9.5 million or 13.4 per cent. This growth can be attributed to payments relating to criminal, family and children's law, which is a direct result of the increased demand for grants of legal assistance.

The other major expense was staffing-related costs of \$68.8 million, an increase of 11 per cent on last year. The increase in these costs include annual increments paid to staff as well as salaries for new staff employed for service expansion, including:

- **frontline Legal Help telephone service roles**
- **expansion in the Mallee region**
- **our Aboriginal and Torres Strait Islander Employment Strategy**
- **our law clerks and graduate programs**
- **additional duty lawyers and legal administrative staff across Victoria.**

#### Revenue

Year to date	2016-17 \$000	2015-16 \$000	Variance
Commonwealth grants	50,423	49,401	2%
State grants	94,713	91,343	4%
Public Purpose Fund	31,162	28,313	10%
Client contributions	2,609	2,152	21%
Other income	2,445	2,668	-8%
<b>Total income from transactions</b>	<b>181,352</b>	<b>173,877</b>	<b>4%</b>

#### Expenditure

Year to date	2016-17 \$000	2015-16 \$000	Variance
Case-related payments	80,677	71,169	13%
Employee benefits	68,781	62,156	11%
Depreciation and amortisation	3,219	3,463	-7%
Other expenditure	21,773	16,828	29%
<b>Total expenses from transactions*</b>	<b>191,297</b>	<b>172,337</b>	<b>11%</b>

Much of the 29 per cent increase in other expenditure can be attributed to a one-off payment to existing building leases. In 2017, we consolidated four separate CBD locations into a single leasehold at 570 Bourke Street. The total combined cost of the new lease, fit out and overlapping lease payments, was independently assessed as financially beneficial. It is more space efficient, utilising 100 per cent open plan and provides improved safety for staff and clients.

\* This figure includes Community legal centre funding (see page eight for detail)

### Funding we distribute to community legal centres (\$)

Our commitment to working with community legal centres continued with \$16.8 million allocated as direct funding provided to community legal centres with a further \$10.5 million allocated as indirect funding from the State Government, a total of \$27.4 million funding.

Year to date	2016–17 \$000	2015–16 \$000	Variance
Community legal centres	15,844	15,776	.4%
Community legal centres, project funds	1,003	2,945	-66%

The above table does not include Commonwealth payments to community legal centres. The combined total State and Commonwealth funds to community legal centres administered by Victoria Legal Aid amounts to \$27.4 million. The variance for the project funds can be attributed to the completion of the Innovation and Transformation Fund program. We administered two payments of \$500,000 for the Family Violence to Family Law Continuity of Service Delivery pilot projects. This funding is for two years of service (2016–17 and 2017–18) by two centres (Hume Riverina CLS and Peninsula CLC).

### Performance against Victorian Government service targets

The Victorian Budget sets a number of output performance measures and targets for departments and their agencies and statutory bodies in *Budget Paper 3*.

Output measure	Annual target	Target	Actual	Variance
Community legal education and information services <sup>4</sup>	126,284	135,000–140,000	129,260	-4%
Duty lawyer services	87,162	83,000–85,000	93,697	10%
Grants of legal assistance	38,345	35,000	41,638	19%
Legal advice and minor assistance	40,770	42,000	41,725	-1%
Number of unique clients	86,847	84,000	90,649	8%
Applications for legal assistance processed within 15 days	94%	95%	95%	0%

The community legal education and information services is comprised of 334 community legal education sessions and 128,926 information services. Although the number of community legal education sessions were down, we reached 27 per cent (or 3,007) more people.

<sup>4</sup> This does not include publications and website sessions.