# Victoria Legal Aid 2021–22 Quarter Four Report 1 April – 30 June 2022

## Message from the CEO

In 2021–22 we were still experiencing pandemic-related restrictions, which affected our service delivery and financial results. Whilst we saw more clients and provided more duty lawyer services than in 2020–21, there was a slower than anticipated return to normal court operations, meaning we are still not providing as many overall services as pre-pandemic years.

Our focus on refining and growing early intervention and early resolution services continues. Help Before Court (HB4C) was designed and implemented in response to COVID-19 and to complement our existing in-person duty lawyer services. An evaluation of our [Help Before Court](https://www.legalaid.vic.gov.au/building-successes-help-court) service has backed the pre-court service to continue and expand, saying it has provided a better experience for many clients and can often lead to better outcomes. The success of HB4C has shown the appetite among clients for greater use of technology and for greater contact options when seeking help, highlighting the value of service design that is informed by the clients who will use it.

Our new website, launched in May 2022, has also been developed in conjunction with our clients in a user centric way, delivering a contemporary, interactive, and easier way to access legal information. It also supports self-help as a first step, before accessing intensive services like webchat or calling Legal Help.

We also launched our new four-year strategy, [Strategy 26](https://www.legalaid.vic.gov.au/strategy-26), which outlines how we will work towards a fair, just and inclusive society. As part of the development of this strategy we have added a new value of inclusion. During 2021–22 we launched our [Disability Action Plan](https://www.legalaid.vic.gov.au/our-new-disability-action-plan), [Gender Equality Action Plan,](https://www.legalaid.vic.gov.au/gender-equality-action-plan) [Equitable Briefing Strategy](https://www.legalaid.vic.gov.au/equitable-briefing-strategy), and our [Diversity and Inclusion Framework](https://www.legalaid.vic.gov.au/our-diversity-and-inclusion-framework). This marks our commitment to establishing a gender equitable, safe, inclusive, and respectful workplace for all staff, and ensuring our services contribute to equitable access to legal assistance for our clients and the Victorian community.

We continue our journey to better understand the structural impacts of the legal system on Aboriginal and Torres Strait Islander clients and colleagues. We reviewed our First Nations services to identify areas for improved service delivery as well as opportunities for collaboration with and support of Aboriginal Legal Services and Aboriginal Community Controlled Organisations.

We are ready to meet the challenges ahead and we hope to increase client services and pursue much needed reforms for our priority clients, especially our First Nations clients. Courts are facing significant pressure to address the backlog in cases created by the pandemic. We will work with others and do our part in helping to reduce the court backlog which has led to more people on remand for greater periods of time.

## Client Services

In 2021–22 we saw 80,547 clients—eight per cent more than 2020–21 where we saw 74,670 clients. As courts continue to increase their capacity as restrictions ease further, we anticipate that the number of clients we will see in quarter one 2022–23 will return to near pre-pandemic levels.

**Table 1.1 Clients snapshot**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Clients** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Unique clients[[1]](#footnote-2) | 15,197 | 22,529 | 80,547 | 28,000 |

In 2021–22, Legal Help remained a key entry point for Victorians seeking legal assistance at VLA. We answered 56 per cent of phone calls, and 95 per cent of incoming webchats. Due to the ongoing pandemic restrictions, we experienced periods of lower-than-expected demand. We also experienced an increase in the number of unplanned staff absences as a result of staff contracting COVID-19, which affected our service delivery in quarter four.

We continued modernising the software systems we use to operate Legal Help and will continue to do so in the coming months. We are transitioning to a new platform that will provide greater efficiencies in the future. However, in the short term as we onboard and train staff, there will be some disruptions to the service, resulting in lower quarter one 2022–23 projections. From quarter two onwards we expect the service to resume at normal levels.

Table 1.2 Legal Help phoneline and web chat snapshot

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Legal Help** | **Service Delivery type** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Requests for Legal Help assistance | Phoneline | 35,716 | 32,153 | 137,712 | 36,800 |
| Web chat | 9,679 | 9,114 | 38,458 | 10,700 |
| Number of Legal Help sessions delivered | Phoneline | 20,086 | 19,681 | 83,249 | 13,800 |
| Web chat | 9,314 | 8,678 | 36,706 | 9,600 |
| Average wait time (minutes) | Phoneline and web chat (consolidated) | 12:57 | 11:01 | 11:23 | 15:40 |

We provided fewer information sessions in quarter four compared to quarter three (-22 per cent). This is mostly driven by a reduction in the number of Legal Help sessions delivered by both the phoneline and web chat in quarter four. Community Legal Education continued to be impacted by COVID-19 in quarter three, and several events planned for quarter three were rescheduled in quarter four. There was a similar drop in the number of advice services provided (-12 per cent). As well as fewer Legal Help sessions being delivered, in-person advice also decreased, most likely as a result of staff taking unplanned leave and court hearings being postponed.

The ongoing disruptions of COVID-19 meant we were not able to deliver as many events as we had hoped in 2021–22. We focused our community education work on making legal information more inclusive and accessible, improving how we target in-person education, and building sector capability to make high quality legal information. As restrictions ease, and we enter the warmer months, we anticipate that we will be able to hold more events in quarter one 2022–23.

There was a drop in website sessions in quarter four, and an overall drop of 3.4 per cent compared to 2020—21. For the first six weeks of the new site, unique visits to legal information in the new ‘I need information about’ section was slightly down on the same time last year on the old website. It will take some time for the new website to appear higher in Google searches which may lead to an initial drop in website sessions.

Table 1.3 Early Intervention and Preventative services snapshot

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Early Intervention and Preventative services** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Information sessions | 26,751 | 20,981 | 103,467 | 21,000 |
| Legal Advice sessions | 8,563 | 7,555 | 36,038[[2]](#footnote-3) | 6,000 |
| Community Legal Education sessions | 20 | 47 | 116 | 28 |
| Website sessions | 642,501 | 617,113 | 2,624,903 | 728,501 |

Independent Mental Health Advocacy (IMHA) and Independent Family Advocacy Support (IFAS) are specialist resolution and advocacy services that are designed to advise and assist those who are subject to compulsory mental health treatment or to help divert families from the court system. There was a decrease in the number of IMHA information and referral sessions for quarter four compared to quarter three for 2021–22. However, for the year-end total there was an overall increase of 3.5 per cent compared to the previous year. Whilst IMHA advocacy and IFAS information and advocacy services all increased in quarter four, there was an overall drop in these services for the year-end totals compared to 2021–22. COVID-19 is assumed to have caused this drop due to the lower case numbers at court.

Table 1.4 Specialist resolution and advocacy services

| **Specialist resolution and advocacy services** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| --- | --- | --- | --- | --- |
| IMHA information and referral sessions | 6,258 | 5,492 | 25,263 | 6,300 |
| IMHA advocacy and self-advocacy | 3,254 | 3,335 | 13,247 | 3,800 |
| IFAS information and referral sessions | 527 | 545 | 1,824 | 500 |
| IFAS advocacy and self-advocacy | 563 | 1,003 | 2,359 | 700 |

There was a 31 per cent increase in duty lawyer services delivered in 2021—22 compared to 2020–21. This is a direct result of the courts increasing the number of hearings that have been held. However, they are still below pre-pandemic levels. There was also a small increase (4.5 per cent) in grants of legal assistance in quarter four, and a one percent increase from the previous year. We have continued to receive and process grants of assistance throughout the pandemic and anticipate that as the courts continue to ramp up their proceedings, we will see an increase in the number of applications for assistance we receive in 2022–23.

Table 1.5 Court assistance services snapshot

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Court assistance services** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Duty Lawyer Services | 12,541 | 15,918 | 59,244[[3]](#footnote-4) | 21,000 |
| Grants of Legal Assistance | 9,969 | 10,418 | 40,870 | 11,000 |

## Financial Summary

We ended the year with a net surplus of $3.8 million. This is primarily due to the impacts of COVID-19 related restrictions on court processes, which delayed the timing of case-related expenditure originally projected to be incurred this financial year for approved grants of legal aid commitments. This surplus funding is required to ensure VLA can meet the deferred expenditure commitments in 2022-23.

Demand within the courts is expected to continue to grow at historical levels beyond the level of VLA funding. The Board recently approved the 2022–23 Budget with a budgeted deficit of $19m, primarily reflecting the impact of the Public Purpose Fund revenue reduction and the impacts of deferred case expenditure. This will be funded by a managed draw down of cash reserves aligned with the State Budget outcomes.

Our cash reserves have grown considerably over the past two years (approximately $92m) due to reduced court capacity caused by pandemic restrictions. Our cash reserves are not all discretionary and need to be carefully managed to ensure we can meet existing commitments and accelerated ramp-up of court activity to address the backlog of matters. This includes grants of legal assistance of up to $40m which have already been approved and committed to but where the work has not been completed. In addition, this balance is also required for the replacement of assets to ensure we can continue to meet service demands and protect the safety and wellbeing of staff.

Beyond this year, unless additional funding is received, we will need to consider implementation of further savings initiatives whilst carefully managing down the cash reserves to meet existing grant commitments aligned with the risk parameters set by the Board. These savings initiatives involve service reductions within the courts which will require consultation with sector partners. We will continue to work with the Victorian Department of Justice and Community Safety to resolve the ongoing financial challenges through a demand-based funding model.

### **Total revenue breakdown ($’000**)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Revenue** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Commonwealth – grants (1) | 21,244 | 27,624 | 85,691 | 23,333 |
| State – grants | 45,200 | 50,876 | 183,640 | 42,497 |
| Public Purpose Fund | 4,264 | 6,014 | 22,994 | 5,772 |
| Case revenue | 1,890 | 2,853 | 7,772 | 1,380 |
| Other income | 99 | 155 | 403 | 57 |
| **Total revenue** | **72,698** | **87,521** | **300,500** | **73,040** |

### Commonwealth Grants include funding for Community Legal Centres, which is considered Administered funding in the Annual Report

### Total expenditure breakdown ($,000)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Expenditure** | **Q3**  **2021–22** | **Q4**  **2021–22** | **Year-end total 2021–22** | **Q1 2022–23**  **projection** |
| Case expenditure | (27,507) | (29,705) | (115,352) | (29,077) |
| Community legal centre payments (1) | (13,969) | (21,068) | (56,098) | (14,340) |
| Staff costs(2) | (22,085) | (25,548) | (95,895) | (27,752) |
| Administration (3) | (5,657) | (8,296) | (24,342) | (5,396) |
| **Total expenditure** before Depreciation and revaluation | **(69,218)** | **(84,617)** | **(291,687)** | **(76,565)** |
| Depreciation and Revaluation (3) | (511) | (3,449) | (5,018) | (710) |
| **Total Expenditure** | **(69,728)** | **(88,066)** | **(296,705)** | **(77,275)** |

### Community Legal Centre payments include funding from the Commonwealth, which is considered Administered funding in the Annual Report

### Staff costs include some payments that are considered Other operating expenses in the Annual Report

### Lease expenses are included in Administration above to better reflect the nature of the expenditure, however, are included under Depreciation and Amortisation in the Annual Report in line with accounting standards

### Includes the revaluation of client contributions, which are recorded as a net loss on non-financial assets in the Annual Report

1. A unique client is an individual who has accessed one or more of our legal services and a client lawyer relationship was formed. We count our unique clients the first time we see them in the year. This definition does not include those clients who received information over the phone or via our online web chat (Legal Help), from our website, in person at a court counter or those who attended one of our community legal education sessions. [↑](#footnote-ref-2)
2. The year-end total for Legal Advice in 2021-22 will appear different to the figure included in the annual report. Pre-court advice has been included in the quarterly reports where it has not been included in the annual report. [↑](#footnote-ref-3)
3. The year-end total for Duty Lawyer Services in 2021-22 will appear different to the figure included in the annual report. This report does not include duty lawyer services delivered by community legal centres. [↑](#footnote-ref-4)