# Victoria Legal Aid 2022–23 Quarter Four Report April – June 2023

## Message from the CEO

In 2022–23, we delivered more services and saw more clients than in the previous financial year. We have seen increased demand for our services this year in line with court activity ramping up since pandemic restrictions were lifted. We have supported the reduction of the backlog of cases at court, as well as new matters as they arose.

Many of our services were expanded, such as Family Advocacy and Support Services, now available outside of Greater Melbourne, and our sexual harassment in the workplace services. We are also pleased to be supporting the new [Children’s Court Weekend Online Remand Court](https://www.legalaid.vic.gov.au/welcoming-childrens-court-weekend-online-remand-court), which benefits our child clients by providing after-hours bail hearings. This complements our ongoing work with partners to reduce the numbers of children held in custody, particularly First Nations children.

We welcome the release of the [Yoorrook Justice Commission’s report](https://www.legalaid.vic.gov.au/landmark-first-nations-report-be-catalyst-change) as a landmark step towards addressing the systemic failures experienced by First Peoples every day in our state systems. Our third Reconciliation Action Plan, to be launched later this year, will focus on improving outcomes for First Nations clients and addressing barriers to accessing our services. We will support the advocacy of First Nations communities and the truth-telling and treaty processes in Victoria. This work is a priority for us as every day we witness the systemic injustices resulting from structural racism in our justice and child protection systems.

Victoria has a new Mental Health and Wellbeing Act which enables an opt-out model of access to [non-legal advocacy services](https://www.legalaid.vic.gov.au/new-mental-health-laws-new-era-were-your-corner) for people who are receiving, or at risk of receiving, compulsory treatment. This will help connect people with advocacy support when they need it. This is the first time advocacy support will be automatically offered to anyone receiving compulsory treatment in Victoria and they will have access to support to ensure they understand and can advocate for their rights. Thanks to funding received from the State Government, in response to the recommendation from the Royal Commission into Victoria’s Mental Health System, we have expanded IMHA to better support and deliver services to those experiencing mental health issues.

[Strategy 26](https://www.legalaid.vic.gov.au/strategy-26) highlights VLA’s vision for a fair, just and inclusive society where people can easily access legal services when they need them. Looking ahead, we need to address growth pressures facing our Legal Help service as the main gateway to our services and respond to the increasing complexity and specialisation required of the service. Over the next 12 months, we will be concentrating our efforts on reviewing and modernising services to ensure they are best meeting client need and that our staff and practice partners are equipped to deliver high quality services. We also look forward to the National Legal Assistance Partnership Review being undertaken in the lead up to the 2024 Federal Budget. This will give us the opportunity to identify additional investments needed in the legal assistance sector and the systems in which we work.

## Client Services

In 2022–23 we saw a total of 86,321 clients, an increase of seven per cent from the 80,547 clients we saw in 2021–22. We identified some inconsistencies with how we collect our data that contributed to some underreporting of our services this year. We engaged a consultant to undertake a review and they recommended improvements to our data management practices, which we will begin implementing in 2023–24. In the interim, we have made conservative adjustments to some 2022–23 actuals, as recommended in the review, to reflect the projected underreported services. Note that instances where adjustments have been made are clearly identified in this report.

We have provided significantly more duty lawyer services this year (+58 per cent), which are a main entry point for clients. The Quarter One 2023–24 projection is higher than quarter four due to the way that we count clients the first time we see them in a financial year.

**Table 1.1 Unique client count**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Clients** | **Q3****2022-23** | **Q4****2022-23** | **Year-End Total 2022-23** | **Q1 2023-24****projection** |
| Unique clients[[1]](#footnote-2) | 17,787 | 17,028 | 86,321 | 34,000 |

In 2022–23, our Legal Help phoneline and webchat remained our key entry points for Victorians seeking legal assistance. The average wait time has decreased by two minutes and 29 seconds from 2021–22 (11:23). Legal Help delivered more services and made it easier for people to access assistance. The replacement of Legal Help’s major software with the Genesys system generated significant improvements in client experience and staff productivity, while ongoing refinements of our recruitment and induction processes allowed us to operate with more capacity than in recent years.

The demand for our services exceeded our forecast during this period. We supported an increase in community accessibility by answering more requests for help and delivering more legal information and advice than previous years. We answered 67 per cent of phone calls, and 99 per cent of webchats. We launched Victoria’s first statewide Victims Legal Service (VLS) to support people who have suffered injury or loss because of a crime. The federal government recently announced an expansion of VLS to continue to provide information, advice, and referrals to VLS providers through a dedicated specialist helpline. We also expanded the Family Advocacy and Support Services Legal Help support at various regional and metropolitan courts.

There was unusually high demand for our phoneline and web chat services in quarter three 2022–23, with demand still higher in quarter four than in previous quarters in 2022–23. Quarter one 2023–24 projections consider the resource implications of planned service expansion and the early stages of reforms to Legal Help’s operating model. This will ensure it can continue to operate sustainably and better respond to growing service demand and the needs of priority clients.

Table 1.2 Legal Help phoneline and web chat

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Legal Help**  | **Service Delivery type** | **Q3****2022-23** | **Q4****2022-23** | **Year-End Total 2022-23** | **Q1 2023-24****projection** |
| Requests for Legal Help assistance | Phoneline | 41,068 | 37,471  | 150,181  | 37,000  |
| Web chat | 10,516 |  8,744 |  39,086 | 11,000  |
| Number of Legal Help sessions delivered | Phoneline | 28,879 | 26,609  | 100,369  |  25,500 |
| Web chat | 10,405 | 8,671  |  38,600 | 10,500  |
| Average wait time (minutes) | Phoneline and web chat (consolidated) | 8:24 | 8:54  | 8:54 | 9:00  |

Year-end adjustments of Legal Help activity have helped drive the 15 per cent increase in information sessions and 13 per cent increase in legal advice sessions in quarter four 2022–23. Genesys is helping to make the service more efficient meaning that more calls and webchats can be answered, leading to an increase in the number of sessions provided. We anticipate that these benefits will continue to be seen into quarter one 2023–24.

We delivered 83 per cent more Community Legal Education (CLE) sessions in 2023–24 compared to 2022–23 (116). The CLE team will be focusing on building capacity in our regional offices to be able to deliver an increased number of CLE sessions in rural settings. Whilst this training takes place there will be fewer CLE sessions delivered in quarter one 2023–24.

The number of website sessions has decreased by 7.6 per cent compared to 2021–22. This was anticipated due to changes in the new website platform resulting in short-term disruption as older content was retired and new pages appeared lower down the results from search engines. Google is making changes to the way it tracks and analyses our website’s data. This may result in lower results in 2023–24.

Table 1.3 Early intervention and preventative services

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Early Intervention and Preventative services** | **Q3****2022-23** | **Q4****2022-23** | **Year-End Total 2022-23** | **Q1 2023-24****projection** |
| Information sessions | 31,104 | 35,835 | 119,0931 | 31,900 |
| Legal Advice sessions | 8,524 | 9,625 | 33,9032 | 9,200 |
| Community Legal Education sessions | 33 | 54 | 213 | 30 |
| Website sessions | 641,696 | 606,650 | 2,424,996 | 600,000 |

 Adjusted by +4,033 Legal Help information sessions.

2 Adjusted by +741 Legal Help advice sessions.

We delivered slightly more (1.6 per cent) IHMA information and referral services than 2022–23, and significantly more (38 per cent) of our higher intensity advocacy and self-advocacy services. We anticipate that demand will increase for these services with the new opt-out system being introduced by the *Mental Health and Wellbeing Act (2023),* coming into effect after quarter one 2023–24.

There was higher demand this quarter for our higher intensity Independent Family Advocacy and Support (IFAS) services, than for information and referral. IFAS in not a state-wide service, however in 2023–24 it will be rolled out in the Dandenong region.

### Table 1.4 Specialist resolution and advocacy services

| **Specialist resolution and advocacy services** | **Q3****2022-23** | **Q4****2022-23** | **Year-End Total 2022-23** | **Q1 2023-24****projection** |
| --- | --- | --- | --- | --- |
| IMHA information and referral sessions | 6,336 | 6,041 | 25,658 | 6,000 |
| IMHA advocacy and self-advocacy | 4,749 | 4,457 | 18,280 | 4,500 |
| IFAS information and referral sessions  | 684 | 487 | 2,011 | 500 |
| IFAS advocacy and self-advocacy | 475 | 891 | 2,327 | 900 |

There was a 58 per cent increase in the number of Duty Lawyer services provided in 2022–23. As the courts ramped up their operations after years of disruptions caused by COVID-19, we were able to support our clients who had both backlogged and new cases.

Our Help Before Court service saw 9,545 people receive information, support, or advice ahead of their court hearings rather than on the day. This led to better engagement with the justice system and better client outcomes and experience. A survey of clients told us of the value clients placed on this early engagement. It also helps our lawyers be prepared to represent our clients at court, helping the court to run more efficiently.

These figures represent an eight per cent reduction of Help Before Court services from 2021–22. In that year, courts were closed due to COVID restrictions for over eight months and clients had no access to VLA's in court duty lawyer service. Help Before Court was the primary way clients could access summary crime services. Even though our duty lawyer service at court has returned, these figures demonstrate that there is still a strong demand for pre-court advice and support.

In 2022–23, we provided 41,320 grants of legal assistance, a small increase of one per cent from 2021–22. Most legal assistance services were delivered by private practitioners (83 per cent), while 15 per cent were by in-house lawyers and two per cent by community legal centres.

**Table 1.5 Court assistance services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Court assistance Services** | **Q3****2022-23** | **Q4****2022-23** | **Year-End Total 2022-23** | **Q1 2023-24****projection** |
| Duty Lawyer Services | 20,915 | 31,237 | 93,6711,2 | 22,000 |
| Grants of Legal Assistance | 10,734 | 10,876 | 41,3202 | 10,800 |

 Adjusted by +7,438 duty lawyer services.

2 Results may appear differently in other reports as results for this report include family violence services and excludes duty lawyer services delivered by community legal centres.

## Financial Summary

Our operating position for 2022–23 was a deficit of $5.3 million in response to existing service demand. However, our cash balance is unusually high due to reduced court activity during the pandemic. In the short term, we will use these funds to meet demand and our deferred grant commitments. The cash reserves need to be carefully managed to ensure we can continue to meet our existing commitments. This includes grants of legal assistance of up to $72 million, which have already been approved and committed to but where the work has not been completed. In addition, our cash reserves are required for the replacement of assets to ensure we can continue to meet service demands and protect the safety and wellbeing of staff.

We continue to advocate for a demand-based funding model to address our current funding arrangements and meet the increasing demand for our services, given these exceed our core funding. In 2023–24, demand for our services is expected to continue to increase—aligned with projected court activity—resulting in future projected financial deficits.

Our short-term revenue outlook has improved due to an increase in interest rates, leading to renewed funding from the Public Purpose Fund (PPF)—allowing us to defer service reductions. However, we continue to face significant uncertainties. A weaker economic outlook and possible interest rate movements create volatility in our funding sources, leading to potential falls in revenue.

Additional funding announced in Federal and State Budgets is welcome and enable us to expand and continue service delivery in specific programs. These include Independent Mental Health Advocacy services, Drug Court-related support, assisting people through the Help Before Court and Early Resolution Services to receive early criminal and family violence related advice, and Specialist Family Violence Court-related help in new locations across Victoria. However, this does not increase our core funding.

Longer term projections continue to highlight that core funding is insufficient to meet the projected demand. Without additional funding, we will need to consider service reductions. Any service reductions would be for court-based services, following consultation with sector partners. We continue to work with the Victorian Department of Justice and Community Safety to resolve these financial sustainability challenges.

### **Table 2.1 Total revenue breakdown ($’000**)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Revenue** | **Q3****2022–23** | **Q4****2022–23** | **Year-end total****2022–23** | **Q1 projection****2023–24** |
| Commonwealth – grants | 25,009 | 24,224 | 96,192 | 23,186 |
| ECCCF income | 630 | 420 | 1,867 | 0[[2]](#footnote-3) |
| State – grants | 41,712 | 52,740 | 180,453 | 43,985 |
| Public Purpose Fund | 6,364 | 6,364 | 24,273 | 10,595 |
| Case revenue | 956 | 1,025 | 3,897 | 1,419 |
| Other income | 1,108 | 1,244 | 4,068 | 1,500 |
| **Total revenue** | **75,808** | **86,017** | **310,750** | **80,686** |

### Total expenditure breakdown ($,000)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Expenditure** | **Q3****2022–23** | **Q4****2022–23** | **Year-end total****2022–23** | **Q1 projection****2023–24** |
| Case expenditure (including ECCCF) | (28,573) | (32,216) | (119,527) | (33,383) |
| Community legal centre payments | (14,430) | (19,682) | (62,980) | (14,828) |
| Staff costs | (26,549) | (28,578) | (108,524) | (31,776) |
| Administration | (5,649) | (5,863) | (22,727) | (6,572) |
| **Total expenditure** | **(75,197)** | **(86,340)** | **(313,758)** | **(86,557)** |
| Depreciation and Revaluation | (484) | (832) | (2,260) | (678) |
| **Total Expenditure** | **(75,681)** | **(87,172)** | **(316,018)** | **(87,235)** |

N.B. – the revenue and expenditure figures are different to the Financial Statements published in VLA’s Annual Report due to the treatment of Community Legal Centre payments from the Commonwealth Government and Client Contribution adjustments.

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. Due to changes in funding distribution directions from the Attorney General’s Department, ECCCF income will not be received in quarter one (Q1) 2023–24. [↑](#footnote-ref-3)