

LEGAL AID COMMISSION (ACT)

Objectives

The Legal Aid Commission (the Commission), established by the *Legal Aid Act 1977* (the Act), provides legal assistance in accordance with the Act. The assistance may be provided by private legal practitioners or the Commission's own officers. The Commission also represents regional residents whose legal proceedings take place in the ACT.

The main objective of the Commission is to maximise access to justice in the ACT by providing legal services to disadvantaged members of the community.

As well as legal representation, the Commission provides other services such as duty lawyers, advice, community education and input on law reform.

2007-08 Priorities

Strategic and operational issues to be pursued in 2007-08 include:

- negotiating a new ACT/Australian Government funding agreement;
- expanding duty lawyer services at the ACT Magistrates Court to support the new Criminal Listing procedures;
- reviewing and developing legal aid services in civil law matters;
- undertaking a feasibility study into a Prisoners Legal Advice service at the new ACT prison; and
- developing procedures for electronic application lodgement, eligibility assessment and funds transfer to meet existing and developing requirements of clients and legal practitioners.

Estimated Employment Level

	2006-07 Est. Outcome	2007-08 Budget
Staffing (FTE)	54	56

Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2006-07 Est. Outcome \$'000	2007-08 Budget \$'000	2006-07 Est. Outcome \$'000	2007-08 Budget \$'000
Output Class 1:				
Payments to Legal Practitioners	8,930	9,284	3,068	3,199
Output 1.1:				
Payments to Private Legal Practitioners	3,840	3,992	1,319	1,376

Note:

1. Total cost includes depreciation of \$0.049 million in 2006-07 and depreciation of \$0.050 million in 2007-08.

Output Description

Payments to private practitioners are made on the basis of pre-determined commitment levels set at the time of the granting of aid. Any amendments to the pre-determined amounts are done on a case-by-case assessment. This output is an indicator of the level of legal aid work being referred to, and performed by, private practitioners during the year.

	Total Cost		Government Payment for Outputs	
	2006-07 Est. Outcome \$'000	2007-08 Budget \$'000	2006-07 Est. Outcome \$'000	2007-08 Budget \$'000
Output 1.2:				
In-house Legal Payments	5,090	5,292	1,749	1,823

Output Description

The Commission provides numerous legal services to the community through salaried legal practitioners. The basis of service provision is the same as in Output 1.1. This output is an indication of the cost of work being undertaken by the Commission's salaried legal practitioners.

Strategic Indicators

Strategic Indicator 1 Target Group Access to Legal Aid Services

The Legal Aid Commission's main objective is to maximise access to justice in the ACT by providing legal services to members of the community unable to afford the cost of appropriate legal representation. Performance relative to this objective is monitored by measuring grants of legal assistance to Legal Aid Commission target groups.

Table 1
Percentage of Legal Aid Commission grants of legal assistance to target groups

	2006-07 Est. Outcome	2007-08 Budget	2008-09 Projection	2009-10 Projection	2010-11 Projection
Total Grants of Legal Assistance	2,550	2,550	2,600	2,650	2,650
Percentage of grants of legal assistance provided to target group¹					
- Recipients of Australian Government benefits	76%	76%	76%	77%	77%
- Aboriginal and Torres Strait Islander	6%	7%	7%	7%	7%
- Female	58%	58%	58%	58%	58%

Note:

1. Percentages will not sum to 100 as not all groups are included and because some clients will fall into two or three groups.

Accountability Indicators

	2006-07 Targets	2006-07 Est. Outcome	2007-08 Targets
Output Class 1: Payments to Legal Practitioners			
Output 1.1: Payments to Private Legal Practitioners			
a. Grants Made	1,400	1,451	1,420

	2006-07 Targets	2006-07 Est. Outcome	2007-08 Targets
Output 1.2: In-house Legal Payments			
a. Grants Made	1,100	1,099	1,130

Changes To Appropriation

Changes to Appropriation - Departmental

	2006-07	2007-08	2008-09	2009-10	2010-11
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2006-07 Budget	3,385	3,547	3,713	3,844	3,844
2007-08 Budget Policy Adjustments					
Wage Outcomes	29	96	166	205	207
2007-08 Budget Technical Adjustments					
Revised Indexation Parameters	-	4	4	4	57
Australian Government Funding now paid directly to Legal Aid	(346)	(432)	(520)	(571)	(489)
Decreased Notional Superannuation Contribution Rates	-	(16)	(16)	(16)	(16)
2007-08 Budget	3,068	3,199	3,347	3,466	3,603

Commonwealth Grants

The major Commonwealth payments for which Legal Aid Commission (ACT) has responsibility for are:

Name of Grant	Activities Funded by Grant	2007-08 Estimate \$'000
Payment for Commonwealth Outputs	Provision of various Commonwealth related services	3,883
Primary Dispute Resolution	Provision of the Primary Dispute Resolution program	101
Total		3,984

**Legal Aid Commission (ACT)
Operating Statement**

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
Income							
Revenue							
3,385	Government Payment for Outputs	3,068	3,199	4	3,347	3,466	3,603
331	User Charges - Non ACT Government	331	360	9	349	359	359
3,269	Grants from the Commonwealth	3,887	3,984	2	4,084	4,186	4,290
825	Interest	1,093	878	-20	878	878	878
7,810	Total Revenue	8,379	8,421	1	8,658	8,889	9,130
Gains							
0	Total Gains	0	0	-	0	0	0
7,810	Total Income	8,379	8,421	1	8,658	8,889	9,130
Expenses							
3,368	Employee Expenses	3,555	3,636	2	3,700	3,711	3,760
546	Superannuation Expenses	671	577	-14	577	584	591
4,598	Supplies and Services	4,585	4,951	8	4,204	4,395	4,580
19	Depreciation and Amortisation	49	50	2	50	50	50
0	Other Expenses	70	70	-	70	70	70
8,531	Total Ordinary Expenses	8,930	9,284	4	8,601	8,810	9,051
-721	Operating Result	-551	-863	-57	57	79	79

**Legal Aid Commission (ACT)
Balance Sheet**

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
Current Assets							
1,557	Cash and Cash Equivalents	2,474	1,688	-32	1,774	1,852	1,930
178	Receivables	448	449	..	450	451	452
74	Other	118	118	-	118	118	118
1,809	Total Current Assets	3,040	2,255	-26	2,342	2,421	2,500
Non Current Assets							
361	Receivables	183	183	-	183	183	183
0	Property, Plant and Equipment	58	8	-86	0	0	0
361	Total Non Current Assets	241	191	-21	183	183	183
2,170	TOTAL ASSETS	3,281	2,446	-25	2,525	2,604	2,683
Current Liabilities							
567	Payables	681	681	-	681	681	681
873	Employee Benefits	888	915	3	935	935	935
1,440	Total Current Liabilities	1,569	1,596	2	1,616	1,616	1,616
Non Current Liabilities							
94	Employee Benefits	55	56	2	58	58	58
94	Total Non Current Liabilities	55	56	2	58	58	58
1,534	TOTAL LIABILITIES	1,624	1,652	2	1,674	1,674	1,674
636	NET ASSETS	1,657	794	-52	851	930	1,009
REPRESENTED BY FUNDS EMPLOYED							
186	Accumulated Funds	1,207	344	-71	401	480	559
450	Reserves	450	450	-	450	450	450
636	TOTAL FUNDS EMPLOYED	1,657	794	-52	851	930	1,009

**Legal Aid Commission (ACT)
Cash Flow Statement**

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
3,385	Cash from Government for Outputs	3,068	3,199	4	3,347	3,466	3,603
331	User Charges	331	360	9	349	359	359
825	Interest Received	1,093	878	-20	878	878	878
3,269	Grants Received from the Commonwealth	3,887	3,984	2	4,084	4,186	4,290
176	Other Revenue	176	176	-	176	176	176
7,986	Operating Receipts	8,555	8,597	..	8,834	9,065	9,306
Payments							
3,801	Related to Employees	4,079	4,069	..	4,136	4,176	4,232
4,711	Related to Supplies and Services	4,698	5,067	8	4,323	4,514	4,699
177	Other	247	247	-	247	247	247
8,689	Operating Payments	9,024	9,383	4	8,706	8,937	9,178
-703	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-469	-786	-68	128	128	128
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
703	Proceeds from Sale/Maturities of Investments	0	0	-	0	0	0
703	Investing Receipts	0	0	-	0	0	0
Payments							
0	Purchase of Property, Plant and Equipment	0	0	-	42	50	50
0	Investing Payments	0	0	-	42	50	50
703	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	0	0	-	-42	-50	-50
0	NET INCREASE/(DECREASE) IN CASH HELD	-469	-786	-68	86	78	78
194	CASH AT BEGINNING OF REPORTING PERIOD	2,943	2,474	-16	1,688	1,774	1,852
194	CASH AT THE END OF THE REPORTING PERIOD	2,474	1,688	-32	1,774	1,852	1,930

Legal Aid Commission (ACT) Statement of Changes in Equity

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
1,357	Opening Balance	2,208	1,657	-25	794	851	930
	Accumulated Funds						
-721	Operating Result for the Period	-551	-863	-57	57	79	79
	Reserves						
-721	Total Income And Expense For The Period	-551	-863	-57	57	79	79
	Transactions Involving Equity Holders Affecting Accumulated Funds						
636	Closing Balance	1,657	794	-52	851	930	1,009

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$0.317 million in the 2006-07 estimated outcome from the original budget is mainly due to re-allocation of income received directly from the Australian Government; and
 - the increase of \$0.131 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to indexation and the new clerical certified agreement.
- user charges - non ACT Government: the increase of \$0.029 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to an increase in client contributions, recovered costs and indexation.
- grants from the Commonwealth: the increase of \$0.618 million in the 2006-07 estimated outcome from original budget is due to re-allocation of income received directly from the Australian Government previously, received through Government Payments for Outputs and higher than anticipated grant levels.
- interest:
 - the increase of \$0.268 million in the 2006-07 estimated outcome from the original budget is due to cash and investment balances being higher than expected; and
 - the decrease of \$0.215 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to expected reduction in cash balances due to an increase in the provision of services.

- employee expenses: the increase of \$0.187 million in the 2006-07 estimated outcome from the original budget is mainly due to payments made on retirement and resignation of executive staff.
- superannuation expenses: the increase of \$0.125 million in the 2006-07 estimated outcome from the original budget, and the decrease of \$0.094 million in the 2007-08 Budget from the 2006-07 estimated outcome are due to changes in nominal contribution rates.
- supplies and services: the increase of \$0.366 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to indexation and expenditure relating to an expected increase in service provision.

Balance Sheet

- cash:
 - the increase of \$0.917 million in the 2006-07 estimated outcome from the original budget is mainly due to higher than expected grants from the Commonwealth and higher interest revenues; and
 - the decrease of \$0.786 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to higher employee expenses and legal services.
- current receivables: the increase of \$0.270 million in the 2006-07 estimated outcome from the original budget is a result of reclassification of receivables.
- other current assets: the increase of \$0.044 million in the 2006-07 estimated outcome from the original budget is due to an increase in prepaid expenses.
- non-current receivables: the decrease of \$0.178 million in the 2006-07 estimated outcome from the original budget is due to bad debts written off.
- property, plant and equipment:
 - the increase of \$0.058 million in the 2006-07 estimated outcome from the original budget is due to the purchase of equipment during the year; and
 - the decrease of \$0.050 million in the 2007-08 budget from the 2006-07 estimated outcome is due to most items being depreciated in full.
- current payables: the increase of \$0.114 million in the 2006-07 estimated outcome from the original budget is due to the increase in private practitioner payment scales.
- employee benefits non-current: the decrease of \$0.039 million in the 2006-07 estimated outcome from the original budget is due to the retirement and resignation of executive staff with long service and the ACT Accounting Policy requirement to classify all annual leave and unconditional long service leave as current employee benefits. The change in policy is attributable to advice received regarding the interpretation of the Australian Accounting Standards.

