



STANDING COMMITTEE ON JUSTICE AND COMMUNITY SAFETY

Mr Peter Cain MLA (Chair), Dr Marisa Paterson MLA (Deputy Chair), Mr Andrew Braddock MLA

**Inquiry into Annual and Financial Reports 2020-2021**  
**ANSWER TO QUESTION TAKEN ON NOTICE**  
**23 February 2022**

Asked by Mr Peter Cain MLA on 23 February 2022: Mr Brett Monger took on notice the following question(s):

[Ref: Hansard Uncorrected Proof Transcript 23 February 2022 [PAGE 24-25]]

In relation to:

**THE CHAIR:** So can you talk about the surplus \$9 million?

**Mr Monger:** Yes. So if you have a look on page 89 of the annual report, note 17 talks about contract liabilities, and that is the \$981,000. That is the amount of money that we have received in advance that we have not spent, that we have committed to spend going forward.

**THE CHAIR:** What about the remaining 9 million?

**Mr Monger:** Yes, that is largely, over the last two or three years we have built up a bit of a cash surplus there. As I said, there was \$500,000 that we had put aside to make our office refit. We have not refitted our office for about 12 years. So we had been banking this money aside and we were going to use some of that there.

**THE CHAIR:** Do you have an estimated cost for the refit?

**Mr Monger:** At the moment we do not want to progress it too far until we get the contract signed for the current office premises, but we are looking at somewhere between 500,000 and \$1 million for a refit.

**THE CHAIR:** So let us say there is 8 million now. So why is it not being used to hire more lawyers, provide the Legal Aid's core functions, to serve, I guess, the more needy and vulnerable in our community?

**Mr Monger:** Partly, trying to get the workforce is quite a difficult thing. We are also somewhat limited by our office space. If we employ somebody, that is an ongoing cost, that is not just a one-off cost. So we need to be really careful and mindful that we do not employ people on an ongoing basis that will make us in future have to spend more money than we actually have.

**THE CHAIR:** So you are having trouble attracting lawyers, is that what you are saying?

**Mr Monger:** No, I did not actually say that. I said if we were to go and—we cannot go and recruit 100 lawyers, for example.

**THE CHAIR:** I guess I am still a bit unsure about this extra \$8 million that could be spent on staffing.

**Mr Monger:** Yes, and we are looking at that, as to how best staff and how best to recruit the organisation.

**THE CHAIR:** Are you able to come back as a question on notice with, I guess, the anticipated plan for that surplus?

**Mr Monger:** Yes.

**THE CHAIR:** In particular, I am interested in how many extra staff lawyers to deliver the core services?

**Mr Monger:** Yes, sure.

Dr John Boersig, Chief Executive Officer, Legal Aid Commission (ACT):

The answer to the Member's question is as follows:—

As an independent statutory body, Legal Aid ACT has a forward planning in place to address a range of financial pressures and contingencies. The nature of our operations means Legal Aid ACT must retain a significant cash reserve. This is required so that sufficient funds are available to cover:

- temporary surge in demand;
- support expensive criminal cases and commitments to external legal practitioners;
- high one-off operating or capital expenditure; or
- cessation of services.

From time to time, we must also contend with the cancellation or delays in program funding.

To manage this range of contingencies we carry a reserve of between \$5 million and \$7 million.

Legal Aid ACT also has the current cash surplus because we must be prepared to meet one-off costs associated with the end of our office lease, including make good provisions, interim lease arrangements, office fit out and re-location costs. The estimated expense is up to \$2 million.

Additionally, an upgrade to our IT system is underway, with expenditure of up to \$0.5 million planned over current and next financial year. The level of surplus this year has also been influenced by the receipt of some revenue received in advance and transient staff savings associated with the movement of staff, in particular the Deputy Chief Executive Officer who has been on leave.

While we have made some additional short-term recruitment, an on-going staff increase outside budget is not currently planned. In-house salaried lawyers of junior and middle range at the 3rd increment, including on-cost, are at Legal 1.3 \$117k; Legal 2.3 \$137k; Legal 3.3 \$162k; and Legal 4.3 \$196k.

Approved for circulation to the Standing Committee on Justice and Community Safety

Signature:

A handwritten signature in black ink, appearing to read 'John Boersig', written over a horizontal line.

Date:

A handwritten date '9/5/22' in black ink, written over a horizontal line.

By the Chief Executive Officer, Legal Aid Commission, Dr John Boersig

