



# Problem-Solving Approaches to Justice





VICTORIA

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Auditor-General

# Problem-Solving Approaches to Justice

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The Hon. Bruce Atkinson MLC  
President  
Legislative Council  
Parliament House  
Melbourne

The Hon. Ken Smith MP  
Speaker  
Legislative Assembly  
Parliament House  
Melbourne

Dear Presiding Officers

Under the provisions of section 16AB of the *Audit Act 1994*, I transmit my performance report on *Problem-Solving Approaches to Justice*.

Yours faithfully



D D R PEARSON  
*Auditor-General*

6 April 2011



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# Audit summary

Problem-solving approaches to justice have been developed over the last decade to address the underlying causes of crime and to find solutions to the complex problems facing offenders, victims and the community. These approaches aim to stop, or at least slow, the 'revolving door' where some offenders move in and out of the criminal justice system. The Department of Justice (the department) and the Magistrates' Court (the court) have pioneered problem-solving approaches to justice.

In 2005, two new programs were funded based on problem-solving approaches: the Neighbourhood Justice Centre (NJC) and the Court Intervention Program—later to be known as the Court Integrated Services Program (CISP). The 2009–10 Budget, extended commitment to both programs, bringing total planned expenditure for NJC to \$50 million and CISP to \$28 million.

Both NJC and CISP are the first such programs in Australian jurisdictions. NJC was established in February 2007 at a Collingwood site within the City of Yarra. It is a multi-jurisdictional venue, presided over by a single magistrate, and provides a range of onsite services to victims, offenders, civil litigants and the local community. These services include drug and alcohol, and mental health counselling, legal advice, and housing support. NJC also works with government, service providers and the local community to address local community problems that may contribute to crime.

CISP began in November 2006 and operates at three Victorian Magistrates' Court venues: Melbourne, Sunshine and Latrobe Valley. Defendants who have been charged but have not yet been sentenced can be referred to CISP. The program provides short-term assistance to individuals with health and social needs with the aim of reducing their likelihood of reoffending. CISP case managers link clients with community support services, including drug and alcohol treatment, crisis accommodation and mental health services.

This audit examined whether NJC and CISP are achieving their intended outcomes. It also assessed whether the programs were based on sound evidence and research and whether the department and the court are effectively managing the programs.

## Conclusions

The initial development of NJC and CISP was based on the best available evidence and research. The department's funding submissions adequately included the key elements required. However, the program objectives for NJC and CISP could have been clearer and this affected the ability to evaluate whether programs had been effective in meeting their intended objectives. In preparing the funding submission for CISP, the department could have better consulted with the court, in particular, on key program components such as referral targets. This would have made CISP implementation more timely and effective.

The introduction of NJC and CISP was both challenging and complex. While NJC's implementation was well managed, except for a delay in developing the client database system, the implementation of CISP initially encountered problems which resulted in underperformance in its early operations. Subsequently, the court has been effective in managing emerging issues. Both programs benefited from the sound management and ongoing monitoring of service delivery. CISP also benefited from a process evaluation which examined if it was implemented in line with its design.

In evaluating whether NJC and CISP have achieved their intended outcomes, the methodologies developed were sound but the limitations in available data reduced the level of reliance that could be placed on the evaluations.

Both NJC and CISP have shown positive indications of achieving their client and community outcomes. Each program supported its intended client groups and provided high-quality reports to the judiciary to assist their decision making.

Both NJC and CISP showed positive indications of reducing reoffending. While CISP demonstrably reduced reoffending for offenders examined in the evaluation, definitive conclusions cannot yet be made for NJC. This is due to limitations in available data, primarily due to the small number of offenders who had completed the program, but also because of difficulties in accessing data without expending considerable manual effort.

## Findings

### Developing the programs

Both NJC and CISP's conceptual development were sound and underpinned by solid research and best practice in other jurisdictions. The programs' concepts were also supported by relevant stakeholders.

The site selection for each program was appropriately informed by thorough research into profiles of offending and local disadvantage. NJC's site selection at Collingwood was also consistent with key success factors—identified from overseas experience—for establishing a community justice centre, namely, locating it in a densely populated area that has high levels of crime and disadvantage.

Given these programs had not been trialled elsewhere in Australia, the department's 2005 funding submissions contained the key elements required, such as the rationale for funding, the degree of alignment with government policy, and the best available information on offending patterns and future demand for services. However, there was room for improvement in articulating clear and measurable program objectives and relevant and appropriate performance indicators that could be used to measure the programs' performance.

Specifically, two of NJC's objectives were not clear or concise and the CISP funding submission did not clearly state the program objectives. In addition, most of the objectives in the funding submissions did not have relevant and appropriate performance indicators.

In its 2009–10 funding submissions, the department modified the objectives of both NJC and CISP. The new NJC objectives were, however, still problematic for the purpose of evaluating NJC's effectiveness and the CISP submission did not specify performance indicators for the three new objectives included.

## Implementing the programs

Overall, the department successfully managed NJC's implementation. NJC's project governance was particularly effective because of high-level stakeholder involvement, timely and comprehensive reports on progress, clear roles and responsibilities in decision-making and reporting, and the active involvement of the department's senior management.

The one shortcoming in NJC's implementation was the delay in developing a client database system. This adversely affected the subsequent evaluation, due to the lack of complete demographic data on clients. As a result, NJC's objective of better linking disadvantaged groups to particular services could not be evaluated.

For CISP, while the department and court worked through many issues collaboratively, their overall performance in the initial implementation of this program was mixed. One of the main problems was the extent and timing of the consultation between the department and the court.

During development of the funding submission, the department did not adequately consult the court on key elements of the program. These included the program's referral targets, accommodation needs at the three program sites, and the use of a corrections-based assessment tool which the court considered to be unsuitable. This cast doubts as to whether the department could deliver the commitments made in its funding submission. Although these issues were subsequently addressed during the pre-operational planning, additional time and effort had to be devoted to their resolution.

After the funding submission was approved, the lack of consultation with the court also resulted in the risks of implementation not being adequately identified or managed, in areas such as negotiating with service providers. In addition, the implementation was further hampered by ineffective project oversight—the project control group was not receiving progress reports against milestones or actively monitoring and managing risks. Consequently CISP was launched four months later than planned and underperformed in its early operations.

Since these initial difficulties, CISP has been managed effectively. The court is actively monitoring its operations, supported by ongoing reviews and assessments. The program has also benefited from strong leadership from some magistrates who actively support the program. For CISP, two areas remain as priorities for further attention; high staff turnover, and the management of services contracts.

## Achieving outcomes

Both NJC and CISP have been evaluated by the department.

The methodologies used to evaluate the criminal justice outcomes of NJC and CISP were sound. The lack of ready access to data and limited client throughput in NJC resulted in a sample size too small to definitively conclude how effective NJC was in reducing reoffending. The evaluation was required, however, as part of the new funding cycle and this affected the extent to which it was able to make definitive findings and conclusions.

The CISP evaluation showed that the program had reduced reoffending for the sample of offenders included in the evaluation study. However, care needs to be taken not to generalise this conclusion to all who have completed CISP. The current analysis did not include 'age of first offence' which is one of the most important risk indicators for reoffending. Research shows that the younger a person begins offending, the greater the likelihood of reoffending. However, this data was not available when evaluations were conducted, as the data was not captured in the court's database.

Improving compliance with bail conditions, and completions of court orders, was also a program objective for NJC and CISP. However, it was not possible to conclude whether this objective was met due to the lack of data. The manual extraction of this data from Corrections Victoria was time consuming and as a result it was not available for the evaluation.

Both NJC and CISP show positive indications of achieving their client and community outcomes. CISP has supported its intended client groups and provided high-quality reports to the judiciary to help them in their decision making.

NJC is having a positive impact on its clients and on the local community by addressing factors contributing to local crime and disadvantage in the City of Yarra, for example, through targeted crime prevention initiatives. However, it is not possible to conclude at this early stage whether most of NJC's community goals have been met. This is due, primarily, to a lack of baseline data to compare subsequent performance against.

The department and the court need to improve data collection and analysis so that intervention programs can be better evaluated, particularly given the level of public funding provided. This would include recording the effect of intervention programs such as NJC and CISP on judiciary decisions, and better tracking defendants as they move through various parts of the criminal justice system.

The department's public reporting of both programs has not fairly represented the evaluators' conclusions about program outcomes. The department has published the success of both programs in reducing reoffending without qualifying these conclusions. The reporting also cited the improvements in compliance with bail and court orders, which again need to be qualified due to limitations of the methodology and data.

The department maintained that their public reporting of evaluation results was accurate but, based on Plain English principles, was simplified and condensed. The application of these principles should not, however, exclude important information, the absence of which could misinform the public.

## Recommendations

Number	Recommendation	Page
1.	That the Department of Justice when developing problem-solving programs: <ul style="list-style-type: none"> <li>define clear and measurable objectives and relevant and appropriate performance indicators in funding submissions to support the case for funding and to allow the subsequent assessment of outcomes against objectives</li> <li>better consult with the Magistrates' Court on the implementation plan including risk identification and mitigation.</li> </ul>	16
2.	That the Department of Justice and the Magistrates' Court: <ul style="list-style-type: none"> <li>better consult with service providers in implementing new programs and in risk management</li> <li>have effective governance arrangements to actively monitor progress supported by timely and comprehensive reporting.</li> </ul>	28

## Recommendations – continued

Number	Recommendation	Page
3.	That the Magistrates’ Court conduct staff exit surveys to assist in developing a long-term resourcing strategy for CISP, particularly to address staff turnover issues.	28
4.	That the Department of Justice and the Magistrates’ Court manage service contracts with clearer and more enforceable qualitative and quantitative performance measures.	28
5.	That the Department of Justice evaluate NJC’s outcomes in reducing reoffending when sufficient data becomes available.	38
6.	That the Department of Justice present research findings fairly and qualify them when appropriate in reporting publicly or seeking program funding.	38
7.	That the Magistrates’ Court record the impact of interventions by problem-solving programs on judiciary decisions	38
8.	That the Department of Justice and the Magistrates’ Court give priority to the use of unique identifiers for tracking defendants’ contact within the criminal justice system	38

## Submissions and comments received

In addition to progressive engagement during the course of the audit, in accordance with section 16(3) of the *Audit Act 1994* a copy of this report was provided to the Department of Justice and the Magistrates’ Court with a request for submissions or comments.

Agency views have been considered in reaching our audit conclusions and are represented to the extent relevant and warranted in preparing this report. Their full section 16(3) submissions and comments, however, are included in Appendix A.

# 1 Background

## 1.1 Introduction

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### 1.1.1 Crime, disadvantage and marginalisation

The link between crime, disadvantage and marginalisation is well established. Rates of offending are higher among people who are unemployed, suffer from drug and alcohol problems, or have low education levels. This is reflected in the prison population where nearly two-thirds of prisoners are unemployed before entering prison, 85 per cent have only partially completed secondary education and more than 60 per cent have drug and alcohol problems. In addition, about 28 per cent of prisoners suffer from a mental illness. This strong link between crime, disadvantage and marginalisation is most evident in the Indigenous imprisonment rate, which is 12 times higher than the non-Indigenous rate.

People from disadvantaged and marginalised backgrounds are also significantly over-represented among offenders who repeatedly engage in criminal activities. Repeat offenders commit the majority of all crimes and make up about two in every three prisoners, although this varies for different jurisdictions and demographic groups.

The likelihood that a recently released prisoner will reoffend is higher if they experience delays in accessing welfare benefits, housing, health and other social services.

Because crime and repeat offending are so strongly linked with disadvantage and marginalisation, Australian and overseas jurisdictions support programs that address these underlying factors, as a way to reduce crime and reoffending.

### 1.1.2 Imprisonment and reoffending

Over the past five years, the number of offenders in prison, or subject to community orders, has been around 300 per 100 000 adults. This is significantly lower than for the other states and territories and, in 2009–10, was 38 per cent lower than the national average.

In 2009–10, Victoria had the fourth lowest rate of returned prisoners among Australian jurisdictions (behind South Australia, Tasmania and Queensland) and has been below the national average for each of the past five years. Between 2005–06 and 2009–10 the percentage of Victorian prisoners who were returned to prison within two years of being released decreased from 36.5 per cent to 33.7 per cent.

Despite the relatively low rates of total imprisonment and the reduction in reoffending, between 2005–06 and 2009–10, the average daily prison population increased by 23 per cent from 3 648 to 4 492 prisoners. Over this period, prison and community corrections operating costs increased by 23 per cent from \$391.3 million to \$480.3 million. Reducing crime and reoffending is still a significant challenge.

## 1.2 Problem-solving approaches to justice

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Traditional approaches to justice have been adversarial and punitive, based on confrontation in the courtroom rather than cooperation. Victims and defendants are often alienated by the process.

Over the last decade, problem-solving approaches to justice have been developed to address the underlying causes of crime and to find solutions to the complex problems facing offenders, victims and the community. This has coincided with judges increasingly using the legal process to improve the psychological wellbeing of offenders by referring them to services to address some of the underlying factors contributing to their offending, such as drug abuse.

Problem-solving approaches aim to stop, or at least slow, the ‘revolving door’ where some offenders move in and out of the criminal justice system. These approaches have been used in jurisdictions in Australia, the United States, Canada, New Zealand and the United Kingdom and are still evolving.

### 1.2.1 Breaking the cycle of reoffending

Reducing disadvantage was a social policy goal of *Growing Victoria Together* (2001) and *A Fairer Victoria* (2005). *A Fairer Victoria* was committed to reducing offending and reoffending by tackling the underlying causes of crime and improving access to justice for targeted disadvantaged groups.

In 2004 the Department of Justice (the department) released the *Justice Statement*, outlining reform of the Victorian criminal justice system. The *Justice Statement* endorsed the use of problem-solving approaches to ‘provide a fairer and more sensible approach to the problems faced by the disadvantaged and marginalised people in the community’.

In 2008 the *Justice Statement 2: the next chapter* re-affirmed the intention to tackle the causes of crime to reduce crime levels and reoffending. It stated that the department would continue to apply problem-solving approaches.

The department also began to embed problem-solving approaches as part of the Next Generation Courts project. The project aims to make these approaches part of the day-to-day practices of the Magistrates’ Court and, potentially, other jurisdictions such as the County Court and Supreme Court.



## 1.2.2 Programs

Problem-solving approaches were first adopted in 1994 with the Mental Health Court Liaison Service. The service was developed in response to the increasing number of people presenting at the Melbourne Magistrates' Court with mental health issues and offered mental health support to defendants. In this regard, the Magistrates' Court has continued to deliver an innovative range of programs premised on problem-solving approaches. These include the:

- Criminal Justice Diversion Program (1997)
- Victorian Drug Court (2002)
- Koori Court (2002)
- Court Referral and Evaluation for Drug Intervention and Treatment/Bail Support (2004)
- Children's Koori Court (2005).

This audit focuses on the Neighbourhood Justice Centre (NJC) and the Court Intervention Program—later to be known as the Court Integrated Services Program (CISP).

In 2005, \$82.4 million was budgeted to improve access to justice for targeted disadvantaged groups. Of that funding, \$24 million was allocated for NJC and \$17 million was allocated to CISP. Both programs were funded for four years from 2005–06.

The 2009–10 Budget extended the commitment to both programs. An extra \$26 million was budgeted over four years for NJC and \$11 million over two years for CISP. This brings the total government expenditure for NJC to \$50 million and CISP to \$28 million.

## 1.2.3 Neighbourhood Justice Centre

NJC is a community justice centre located in Collingwood in the City of Yarra in Melbourne and provides a range of services to victims, offenders, civil litigants and the local community. It was established to tackle the factors associated with crime and disadvantage at the local community level. The basic premise is that by offering targeted services to address the underlying disadvantage and marginalisation in the community, the centre can contribute to the reduction in, and prevention of, criminal activities. The centre aims to do this by engaging with the local community at the same time as addressing individuals' problems. NJC is the first neighbourhood or community justice centre of its kind in Australia and is based on similar community justice centres in the United States and the United Kingdom.

NJC contains a multi-jurisdictional court, presided over by a single magistrate and includes the Magistrates' Court of Victoria, the Children's Court, Victims of Crime Assistance Tribunal, and the Victorian Civil and Administrative Tribunal. The NJC Court was enshrined in the *Courts Legislation (Neighbourhood Justice Centre) Act 2006*. Those who are eligible to have their cases heard at NJC are residents of the City of Yarra, homeless people who have committed an offence in the City of Yarra and Aboriginal and Torres Strait Islander people who are not residents of the City of Yarra but have a special connection to the area.

NJC provides a range of coordinated justice and social services including needs assessment, treatment and referral to the community. These services include:

- drug and alcohol counselling
- mental health counselling
- financial counselling
- legal advice and representation
- housing support
- employment and training support
- victims assistance
- mediation.

Police prosecutors and Community Corrections case managers are co-located with NJC.

NJC is also a partner in a variety of community-based projects, including targeted local crime prevention, community development programs and cultural activities. Figure 1A contains a case study illustrating NJC's operation.

**Figure 1A**  
**A Neighbourhood Justice Centre case study**

John was a 32-year old man who was charged with a series of property and illicit substance-related offences when he was referred to NJC. John had an extensive criminal history and had repeated periods of imprisonment, a number of Community Based Orders (CBO) and at the time of being charged, had a suspended sentence.

John had exposure to illicit substances during his early childhood and started to use illicit substances in adolescence. He left school at the age of 14 due to behavioural difficulties.

Upon pleading guilty at NJC Magistrates' Court, John's court case was adjourned so he could be assessed by the multidisciplinary team based at NJC. At the initial assessment, John identified a number personal and treatment goals such as maintaining a drug-free lifestyle, getting a job and seeking treatment for his depression and anxiety. Subsequently John was referred to a number of services based at NJC, which helped him with employment training, further identification of drug and alcohol issues and assessed his mental health needs. He was case managed by the multidisciplinary team.

During these assessments, John was identified as having a number of untreated mental health issues which contributed to his offending and behavioural difficulties, including depression, anxiety and symptoms of Attention Deficit Hyperactivity Disorder (ADHD). Subsequently he received appropriate treatment and support. In addition, case management provided at NJC assisted John in meeting his treatment goal of a drug-free lifestyle.

**Figure 1A**  
**A Neighbourhood Justice Centre case study – continued**

During John's pre-sentence treatment at NJC, John was subject to judicial monitoring which required him to appear regularly before the NJC Magistrate and report on his progress and compliance with his treatment goals. During this period, John gained regular construction work. Upon the finalisation of his matters, John was deemed by the Magistrate as demonstrating exceptional circumstances due to a pre-existing diagnosis of ADHD, his ongoing ADHD symptoms and his productive engagement in treatment and case management at NJC. As a result, John was sentenced to a two-year CBO and a suspended sentence.

After sentencing, John's case management was transferred to Community Correctional Services based at NJC. As part of his CBO, John was subject to regular court reviews and he maintained regular contact with NJC's support services. John's court reviews allowed a discussion on his continued progress with his treatment goals with the Magistrate and the relevant support agencies. During these reviews, the Magistrates' Court found that John had successfully completed all relevant conditions of his CBO and had been successful in obtaining treatment for the issues contributing to his offending behaviour.

At the end of the operational period of John's suspended sentence, he maintained a drug- and offence-free lifestyle and continued the construction work that he obtained prior to sentencing.

*Source:* Victorian Auditor-General's Office, based on information from the Neighbourhood Justice Centre.

#### 1.2.4 Court Integrated Services Program

CISP has operated since November 2006 in three Magistrates' Court venues: Melbourne, Sunshine and Latrobe Valley. It is managed by the Magistrates' Court.

People who have been charged but have not yet been sentenced in the Magistrates' Court can be referred to CISP, which provides short-term assistance to defendants with health and social needs. CISP links defendants with community support services, with the aim of reducing their likelihood of reoffending. As with NJC, the premise is that if services help address the underlying factors contributing to offending and reoffending, the likelihood of these people getting further involved in criminal activities would be reduced. Potential clients can either self-refer or be referred to CISP by their families and service providers, legal representatives, magistrates or police.

Individuals referred to CISP have a needs assessment. Based on this assessment, CISP case managers, working within a multidisciplinary team, refer defendants to support services such as drug and alcohol treatment, crisis accommodation, disability services and mental health services. Case management finishes when a defendant is sentenced or discharged and is therefore short term, with a typical period of up to four months. However, some may continue with the community support services they used during their time as CISP clients.

Figure 1B contains a case study which illustrates CISP's operation.

**Figure 1B**  
**A Court Integrated Services Program case study**

Greg was a thirty-six year old man who was charged with burglary and was referred to CISP in early 2010. Court records show that he had a history of drug possession, burglary and theft charges over the past eight years and had been jailed twice.

Greg was assessed as having issues relating to illicit substance abuse. He also had housing and employment issues, and grief and mental health issues. He was referred to a number of services in the community to help him address these issues.

While on the program, Greg attended psychological counselling sessions, as well as regular drug and alcohol treatment appointments. He was also offered temporary housing that provided support, such as meals, during his time on CISP. Through his general practitioner's referral, Greg was diagnosed as having hearing problems for the first time in his life. CISP provided a 'part payment' of a hearing aid for Greg.

He was referred to educational training programs to assist him in obtaining a forklift licence. CISP case managers had regular meetings with him to monitor his progress. In Greg's case his CISP team comprised a primary case manager with a background in the drug and alcohol field, a disability case manager, and housing support worker. The CISP case managers provided progress reports to the judiciary throughout Greg's time with the court and upon finalisation of his court matters, Greg was sentenced to a Community Based Order and displayed a high level of motivation to maintain his goals.

At his completion of CISP in December 2010, Greg reported he was no longer using illicit substances and would continue to attend psychological, and drug and alcohol counselling to assist him to achieve his goals, such as returning to study and gaining employment.

When this case study was compiled, Greg had not been found to have reoffended.

Source: Victorian Auditor-General's Office, based on information from the Magistrates' Court.

## 1.3 Roles and responsibilities

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### 1.3.1 Department of Justice

The department is responsible for developing and implementing policies and priorities to make courts more efficient and effective. This includes overseeing the development, implementation and management of NJC and CISP. The department developed the policy framework and funding submission to obtain government funding for NJC and also obtained government funding for the Magistrates' Court to run CISP.

### 1.3.2 The Magistrates' Court

The current legislation governing the operations of the Magistrates' Court is the *Magistrates' Court Act 1989*. It sits at 52 locations, handles 90 per cent of all people appearing before courts, and deals with 250 000 criminal and civil cases each year.

Many of the people coming before the Magistrates' Court present with social, medical, mental health or behavioural issues—often with multiple issues. The Magistrates' Court has been an innovator in providing support services to help defendants with multiple and complex problems to address the underlying factors that contribute to offending.

## 1.4 Audit objectives and scope

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The audit objective was to assess whether:

- NJC and CISP are based on sound evidence and research
- the Department of Justice effectively managed the implementation of NJC and CISP
- NJC and CISP are achieving their intended outcomes.

The audit did not examine judicial decision making. Only the outcomes from closed cases were considered in this report.

## 1.5 Method and cost

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The audit was undertaken in accordance with Australian Auditing and Assurance Standards.

The cost of the audit was \$500 000.

## 1.6 Structure of the report

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The report is structured as follows:

- Part 2 examines whether NJC and CISP were based on sound evidence and research
  - Part 3 examines whether the department effectively managed implementation of NJC and CISP
  - Part 4 assesses if NJC and CISP are achieving their intended outcomes.
-



# 2 Developing the programs

## At a glance

### Background

The development of any new program should be based on sound conceptual design supported by reliable evidence and research. The conceptual design should be complemented by a well-argued funding submission that provides justification for funding.

### Conclusion

Both the Neighbourhood Justice Centre (NJC) and the Court Integrated Services Program (CISP) had sound conceptual design. Though capable of improvements, the Department of Justice's (the department) funding submissions were generally sound.

### Findings

- Both NJC and CISP's conceptual design were supported by the best available research and evidence and informed by advice from relevant stakeholders.
- The site selection for each program was appropriate and informed by sound research into profiles of offending and local disadvantage.
- While the funding submissions included most of the key elements required, the department could have better specified the objectives for both NJC and CISP so they were more precise and measurable.
- For CISP, the department could have better consulted with the Magistrates' Court regarding key risks and key program elements such as referral targets.

### Recommendation

That the Department of Justice:

- define measurable and achievable objectives and performance indicators in funding submissions that can be used to clearly track progress against program aims
- better consult with the Magistrates' Court on implementation plan and risks when developing court-based programs.

## 2.1 Introduction

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Any new program should be based on sound conceptual design and supported by relevant and reliable evidence and research. In seeking government funding, the conceptual design should be complemented by a well-argued funding submission that provides justification for funding.

For government to make an informed decision, funding submissions for new programs should include:

- clear objectives that align with government policy objectives and allow outcomes to be evaluated
- estimates of costs, benefits and risks
- implementation plans including project milestones and proposed resourcing
- an outline of how the programs are to be evaluated against stated objectives.

This chapter examines whether the development of the Neighbourhood Justice Centre (NJC) and the Court Integrated Services Program (CISP) were based on sound evidence and research, and whether the funding submissions were sound.

## 2.2 Conclusion

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Both NJC and CISP had sound conceptual designs. The Department of Justice's (the department) funding submissions in 2005 had most of the required elements, but both lacked clear and measurable objectives and relevant and appropriate performance indicators to measure the programs' effectiveness. In preparing the funding submission for CISP, the department could have better consulted with the Magistrates' Court (the court), in particular, on key program components such as referral targets and risk management, to better facilitate CISP's implementation.

## 2.3 Designing the Neighbourhood Justice Centre and the Court Integrated Services Program

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### 2.3.1 Program design

For both NJC and CISP, the program design was:

- consistent with government objectives to reduce reoffending
- underpinned by sound theory, solid research and best practice in other jurisdictions
- clear about the intended target groups
- based on an identified demand for the proposed services
- based on strong, localised research into offending profiles and crime statistics
- informed by advice from relevant stakeholders.

The department established consultation arrangements for both programs. As a result, the programs' conceptual development gained high-level support from stakeholders.



## Neighbourhood Justice Centre

NJC's design and site selection were consistent with key success factors for establishing a community justice centre.

NJC aimed to address the:

- factors that lead to reoffending
- lack of community confidence in the criminal justice system
- low public perceptions of safety within the local area
- high local levels of disadvantage.

NJC was conceived to:

- be a multi-jurisdictional venue, presided over by a single magistrate
- provide a range of on-site services to victims, offenders, civil litigants and the local community
- emphasise a partnership approach to operations between the court, local and state government, justice and human services providers, and the local community, to solve local community problems.

This design was strongly informed by overseas community justice centres, in particular the centre in Red Hook, a New York neighbourhood characterised by high levels of crime and disadvantage. Evaluations have demonstrated Red Hook's effectiveness in addressing local crimes and disadvantage. The design process for NJC included a four-day conference in October 2004 that involved international experts from Red Hook.

NJC's site selection—Collingwood, in the City of Yarra—was consistent with the success factors for establishing a community justice centre, based on Red Hook.

The City of Yarra has:

- a densely populated geographic area
- a high concentration of crime and disadvantage
- significant access to local community services.

A multidisciplinary team was included as a key component of NJC. The variety of services was designed specifically to respond to profiles of local crime and disadvantage. The team's intended role was to offer social and justice services to both offenders and members of the local community.

## Court Integrated Services Program

The conceptual design of CISP was sound and based on recognised principles of effective intervention in criminal justice programs.

CISP is consistent with the six recognised principles of effective intervention programs in criminal justice programs, as illustrated in Figure 2A.

**Figure 2A**  
**Assessment of the Court Integrated Services Program**  
**against six design principles**

Six principles <sup>(a)</sup>	Assessment of CISP design
<i>Risk classification</i> matches the level of service to the assessed level of risk.	CISP offers defendants two different levels of case management; intermediate and intensive levels.
<i>Criminogenic need</i> means interventions are directed at needs that contribute to offending.	CISP refers eligible defendants to support services such as drug and alcohol treatment, crisis accommodation, disability services and mental health services. These factors, when addressed, can contribute to a reduction in the risk of reoffending.
<i>Responsivity</i> means interventions are timed to maximise the offender's ability to make positive behavioural changes.	CISP, in referring defendants at pre-plea stage, uses the authority of the court to help motivate an offender to undertake behavioural change.
<i>Community base</i> is more effective than institutional programs.	CISP links defendants to a wide range of services that are community-based.
<i>Treatment modality</i> means interventions should use a range of strategies appropriate to needs.	CISP's multidisciplinary case management allows defendants to access multiple services but are tailored to their individual complex needs.
<i>Program integrity</i> means programs should be delivered using trained and well-supported staff, and be subject to monitoring and evaluation.	CISP uses trained staff to deliver its program, which is monitored and evaluated throughout its implementation.

(a) These principles were developed by Andrews and Bontá (1998) in USA and McGuire and Priestley (1995) in the UK.

Source: Victorian Auditor-General's Office.

By offering appropriate services to defendants with multiple and/or complex needs, it was envisaged that defendants would be stabilised and more likely to continue their treatment after the court's decisions, thereby addressing the underlying causes of their offending.

### 2.3.2 Stakeholder involvement

The department's consultation for both programs in relation to their conceptual design was effective. It gained high-level stakeholder support from the judiciary, community support organisations, Victoria Police and other state agencies, as well as local government.

#### Neighbourhood Justice Centre

The department actively involved relevant stakeholders to inform the program's conceptual development. The conference in October 2004 included the Attorney-General and senior members of government agencies representing justice, human services, education and police, as well as senior staff from the court. Representatives of local councils and human services providers also attended.

Over a six-week period from November to December 2004, department staff intensively consulted with the relevant government stakeholders to develop the NJC funding submission and select an appropriate site.

### Court Integrated Services Program

The department established a reference group comprising magistrates from the Melbourne Magistrates' Court and senior officers from the departments of Justice and Human Services. Police and corrections staff were also involved. These agencies were involved in the selection of the three locations for CISP, based on profiles of defendants and the volume of cases.

Given the lack of precedent for programs such as NJC and CISP, the department's early consultations focused on gaining support for the concepts behind each program, and preferred operational sites.

## 2.4 Making the case for funding

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The funding submissions presented in 2005 had most of the required elements, but both did not clearly express the objectives, which adversely affected the extent to which the programs' objectives could be subsequently evaluated.

Both funding submissions:

- clearly articulated the rationale for funding
- demonstrated the programs' close alignment with government policy and whole-of-government initiatives
- used the best available information on offending patterns to estimate the possible demand for the programs and associated costs
- included program evaluation as part of program development
- presented alternatives and argued a strong case for government to fund the preferred option.

The department used the best available information to estimate the costs and potential benefits of the two programs. Neither funding submission gave details about whole-of-life program costs or benefits. This is reasonable given the programs were a pilot and there were no well-established ways to appropriately define and account for those costs and benefits.

There are two areas in which the funding submissions could have been stronger:

- the objectives and performance indicators of each program could have been better articulated
- the funding submission for CISP needed to better identify risks and to develop a risk management strategy.

## Program objectives and performance indicators

Objectives are statements of what a program, agency or department intends to achieve through its activities. The Department of Treasury and Finance guidelines require objectives to be clear, concise and measurable. In addition, they should have an explicit relationship to program outcomes and identify the target groups who will benefit from the program.

Performance indicators are used to measure the extent to which a program, agency or department has achieved its objectives. Performance indicators should be:

- **relevant**—showing an explicit relationship to the program’s objective
- **appropriate**—providing sufficient information to assess the extent to which an objective has been achieved in a given time frame.

It is acknowledged that with an innovative program there will be a need to be flexible as the implementation progresses and new issues are identified. However, from the outset, this should also have been a prompt to place greater emphasis on establishing clear objectives.

### *Neighbourhood Justice Centre*

Figure 2B shows NJC’s five objectives and related performance indicators from the department’s 2005 submission for funding.

Two of the objectives were not clear or concise and therefore were difficult to measure. Furthermore, there was no performance indicator for these two objectives. Three of the five performance indicators were either not relevant or not appropriate.

**Figure 2B**  
**Neighbourhood Justice Centre objectives 2005–06**

Objectives	Performance indicator	VAGO comments
Be a flagship for driving change in the way justice is dispensed	None	This objective is difficult to measure and there is no performance indicator
Contribute to a reduction in local crime	Reduce the local crime rate by 5 per cent in first four years of operation	A clear objective, but inappropriate performance indicator for the objective  It is reasonable to expect that NJC will contribute to a reduction of crime within the local community, however, it is not possible to attribute or measure the exact contribution made by NJC given the many external social factors influencing local crime
	Increase compliance with community-based dispositions by 10 per cent in first full year of operation	Relevant and appropriate indicator for the objective

**Figure 2B**  
**Neighbourhood Justice Centre objectives 2005–06 – *continued***

Objectives	Performance indicator	VAGO comments
Reduce reoffending	Reduce reoffending by 10 per cent in first three years of operation	A clear and measurable objective with a relevant and appropriate indicator
Increase civic participation and community renewal	None	This objective is difficult to measure and there is no performance indicator
Increase positive perceptions about safety and the justice system	Increase positive perceptions about safety and the justice system by 10 per cent over first four years	Due to unclear specification of target groups it is not possible to determine if the indicator is appropriate
	Reduce the number of imprisonment sentences by 10 per cent in first full year of operation	This indicator is not appropriate. Problem-solving programs such as NJC could contribute to a general reduction in imprisonment sentences over the long term. However, it is inappropriate to expect that NJC operating over a year would achieve that level of reduction. We note this indicator was not included in the 2009–10 funding submission.

Source: Victorian Auditor-General's Office, based on information from the Department of Justice.

The NJC objectives were later modified in November 2006 during implementation. This was based on input from the NJC's steering group and its community advisory committee. These modified objectives were included in the department's 2009–10 funding submission and also were used in the program evaluation. Nonetheless, these modified objectives were still problematic for the purpose of tracking NJC's success. This is further examined in Part 4 when discussing NJC's program evaluation.

At the time of this audit, NJC began to refine its objectives once more.

### *Court Integrated Services Program*

The 2005 department submission for funding did not clearly state the objectives for CISP. From our analysis, CISP's aim was to focus on early intervention and diversion to reduce reoffending. The 2005 submission contained one appropriate performance indicator of reducing reoffending rates by up to 10 per cent in 2008–09.

The subsequent 2009–10 submission clearly stated the objectives, which were to:

- provide assistance for defendants presenting multiple and complex needs
- identify and address underlying causes of offending
- improve access to a range of appropriate assessment, treatment and support services
- reduce reoffending rates in Victoria.

However, only the last objective had a performance indicator.

## Identifying implementation risks

Given the uncertainties inherent in the introduction of such pioneering programs, the department needed to pay close attention to risks that might impact on the programs' success and to mitigate and manage those risks appropriately.

The 2005 CISP funding submission gave a broad outline of the proposed implementation plan, but did not identify or document any implementation risks. For NJC, risk identification and a risk matrix contained in the draft funding submission were thorough except for the absence of a risk mitigation strategy around the development of a client database. However risk identification and the matrix were not included in the final submission to government.

The 2005 funding submissions were prepared in line with the department's internal template which did not have a requirement to address risk management. This was inconsistent with the requirements of broader government guidelines on how to prepare a funding submission.

The department has since improved its internal processes to better align with government guidelines for funding submission development. In addition, it has introduced processes so that all funding submissions are internally reviewed.

### *Consultation with the court for the Court Integrated Services Program*

While the conceptual design of CISP was informed by advice from the court, the department did not adequately consult the court on the development of the funding submission. At that time, the court and the department did not have a history of working collaboratively when developing funding submissions.

Because the court was to implement CISP, the department should have consulted the court on key components of CISP. These included the program's referral targets, accommodation needs at the three program sites, and the use of a corrections-based assessment tool which the court considered at a later stage to be unsuitable for CISP. Although the department consulted the court on these elements after funding approval, doubt was cast as to whether the department could deliver on the commitments made in the funding submission. Although these issues were subsequently resolved during the implementation, additional time and effort had to be devoted to them.

The department has stated that its working relationship with the court has since improved and the court has confirmed the department's view.

## Recommendation

1. That the Department of Justice when developing problem-solving programs:
  - define clear and measurable objectives, and relevant and appropriate performance indicators in funding submissions to support the case for funding and to allow the subsequent assessment of outcomes against objectives
  - better consult with the Magistrates' Court on the implementation plan including risk identification and mitigation.

# 3 Implementing the programs

## At a glance

### Background

The Department of Justice started planning for Court Integrated Services Program (CISP) and Neighbourhood Justice Centre (NJC) implementation from May 2005.

### Conclusion

While NJC's implementation was well managed overall, the implementation of CISP initially encountered delays and the program underperformed in its early operations. Since then, emerging operational issues have been actively managed.

### Findings

- NJC was effectively implemented overall, but the delay in developing the client database system affected subsequent program evaluation through data unavailability.
- CISP's implementation was hampered by inadequate consultation with the Magistrates' Court and inadequate management of risks, as well as by governance arrangements that could have been more effective.
- After initial difficulties, CISP is well managed, benefiting from active management and on-going reviews of service delivery.

### Recommendations

That the Department of Justice and the Magistrates' Court:

- better consult with service providers in implementing new programs and in risk management
- have effective governance arrangements supported by timely and comprehensive reports
- conduct staff exit surveys and develop a long-term resourcing strategy for CISP staff issues
- better manage service contracts by having clearer qualitative and quantitative performance measures.

## 3.1 Introduction

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The Department of Justice (the department) started planning for the implementation of the Court Integrated Services Program (CISP) and the Neighbourhood Justice Centre (NJC) in May 2005 after receiving funding in the 2005–06 state Budget. CISP was launched at three sites by November 2006, four months after the planned launch. NJC started operations at the Collingwood site in February 2007, one month after its planned start date.

This chapter assesses the implementation of NJC and CISP. It examines whether pre-operational planning meant the programs were ready for operation at the time they were launched. It also examines if the arrangements put in place enabled programs to operate as intended.

## 3.2 Conclusion

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Implementing NJC and CISP was challenging for both the department and the Magistrate's Court (the court) due to their complexity and their lack of precedent. While NJC's implementation was well managed overall, the implementation of CISP initially encountered problems which resulted in underperformance in its early operations.

In the four years since the programs were launched, the department and the court have improved their management of both programs—particularly CISP. Emerging operational issues have been actively managed, benefiting from improved internal controls and the early use of external evaluators.

The department and the court need, however, to give priority to CISP staff turnover and contract management, and to develop appropriate management strategies in these areas.

## 3.3 Translating the design to operation

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For both CISP and NJC to progress into the operational phase, the department needed to:

- have a comprehensive and clear plan for implementation
- set up effective management and oversight arrangements for active monitoring and decision making
- establish links with service providers who can provide clients with targeted support in the community.

The department managed NJC's implementation well overall. It started with a comprehensive plan for implementation assisted by particularly effective governance arrangements. In addition, it established service delivery arrangements through targeted consultation with local service providers in the City of Yarra, consistent with NJC's principle of engaging with the local community.



When initially implementing CISP, while the department and court worked through many issues collaboratively, their overall performance was mixed. The lack of consultation with the court resulted in the risks of implementation not being adequately identified or managed. The implementation was also hampered by ineffective governance arrangements and delays in finalising service arrangements. The department and particularly the court have subsequently improved the operation of CISP.

### 3.3.1 Plan for implementation

To translate a good concept into an operation, the department needed to:

- identify key tasks and time lines for the program to be launched
- define and allocate roles and responsibilities among the parties involved
- identify risks—including cross-agency risks—and strategies to manage or mitigate those risks
- actively engage with all key stakeholders as part of pre-operational planning.

#### Neighbourhood Justice Centre

The pre-operational planning of NJC was generally effective, with the exception of a delay in developing the client database system. The absence of this database affected program evaluation through a lack of complete demographic data on clients. As a result, NJC's objective of better linking disadvantaged groups to particular services could not be evaluated.

As part of the funding submission to government, the department adequately identified key tasks and risks impacting on the success of the centre. It also developed a risk-management matrix and stakeholder management strategy. During the pre-operational period, these documents were regularly reviewed and updated.

However, the department did not adequately mitigate the risk of not having a computerised client management database at the start of the operation. While this issue was documented in the department's 2005 risk register, no actions were assigned to manage it. It was noted that all other risks had documented actions.

During the audit, the department stated that it was aware of this issue, but could not manage this risk within the available time and budget. The department initially intended to rely on the development of a wider court-based client database, the Integrated Courts Management System. When this did not come to fruition, it accepted that a client management database would not be ready by the start of the operation.

In 2009 NJC installed 'Trackcare' as the client management database—more than two years into the centre's operation. Trackcare records interventions by service providers and has greatly increased the department's ability to monitor the nature and type of services delivered. It is not clear whether the use of Trackcare will continue into the future when the Integrated Courts Management System becomes available at courts.

The absence of a centralised client management database did not have an adverse impact on the management of individual clients. However, it did impact on the quality of the data available to NJC's evaluators who needed to assess how well the program met its objectives.

### Court Integrated Services Program

The implementation planning for CISP was inadequate in terms of identifying the risks of implementation.

Because the court was to run CISP, it was crucial for the department to consult with the court in developing the implementation plan after funding approval. This would have helped to identify key tasks, time lines and staff resources. The department did not seek input from the court to inform its overall project plan when implementation commenced.

For example, risk identification was insufficient. The department's project plan only recorded two risks—too few/too many referrals, and recruitment of appropriate staff. Although more than 20 risks were later recorded, including high risks in the staffing model, accommodation, and service negotiations with providers, no effective risk management strategy was developed.

## 3.3.2 Project governance

In addition to a well-defined implementation plan, a governance structure was needed to:

- bring the experience and knowledge of key parties together to inform the implementation and to develop ownership and understanding of the programs
- actively monitor the implementation with clear and comprehensive reports on progress
- resolve outstanding issues among stakeholders in a timely manner.

### Neighbourhood Justice Centre

Project governance for the NJC implementation was particularly effective because of the involvement of high-level stakeholders, timely and comprehensive reports on progress, clear roles and responsibilities for various levels of decision-making, and the active involvement of the department's senior management.

A project steering committee (PSC) was chaired by the Secretary of the department. This PSC was able to make effective decisions regarding the implementation because it was well supported by:

- a community liaison committee, acting as a conduit between NJC and the local community
- timely reports by various task groups working on individual project components at the direction of the PSC
- an internal project implementation team whose director was also a PSC member.

The PSC met monthly. In discharging its role, the committee:

- appropriately considered input from the community liaison committee
- acquitted actions arising from the meetings
- made timely decisions on emerging issues
- actively monitored and managed the project and associated risks.

Consultation with community stakeholders regarding the implementation was of a high order. For example, the appointment of a magistrate was integral to the NJC model. It was therefore critical to have the community's buy-in to this process. The community liaison committee was consulted on the criteria for the magistrate's role and supported the selection process. Its members were also involved in the selection panel for the new magistrate.

### Court Integrated Services Program

The project governance could have been more effective with closer oversight of the project and more involvement of the Project Control Group (PCG) in key decisions.

The department set up the PCG and a working group comprising members from both the court's judiciary and administration. The department also set up an implementation planning team. Departmental staff were represented on both the working group and the PCG.

The PCG was expected to provide overall direction to, and management of, the project. This involved monitoring and managing risks and approving any changes to scope, time lines and budget. This did not happen:

- The PCG did not receive or request any reports on progress against the milestones or the status of risks in its eight meetings between August 2005 and December 2006.
- There was no evidence that the PCG actively monitored or managed identified risks.
- The PCG was not involved in some major decisions. For example, the change of the project launch from July 2006 to November 2006 was a major project decision. There was no documented evidence that the PCG approved the change. Instead, the PCG was informed of the change at its August 2006 meeting.

It was unclear how well risks were managed during implementation. For example, the risk log dated 30 July 2006 recorded the risk of reaching an agreement with service providers as 'stable'. However, the internal briefing to senior departmental management in August 2006 stated delays had been encountered in negotiations with service providers. Those delays were cited as a major reason for postponing the launch date.

### 3.3.3 Service delivery planning

An integral part of NJC and CISP design is to offer support services to those whose offending is related to disadvantage. It was therefore critical for the department and the court to clearly identify the types of services needed and to determine how best to procure them.

#### Neighbourhood Justice Centre

The department effectively set up services through targeted consultation with local service providers.

In line with NJC's objective to engage with the community and to collaborate—not compete—with local service providers, the department set up services by funding additional staff at local agencies already operating in the City of Yarra. Staff therefore had a dual commitment to their own agency and the work of NJC. This proved to be a win-win for both NJC and the community service providers. In addition, NJC was able to access the wider, mature service network already in place in the City of Yarra.

When NJC began operating in February 2007, agreements with service providers were in place for all required services.

#### Court Integrated Services Program

Substantial delays were encountered in finalising most of the service agreements. This was one of the important reasons for the late launch of CISP.

While most services were already operating in the court as part of the existing Court Referral and Evaluation for Drug Intervention and Treatment (CREDIT)/Bail programs, CISP had different requirements in terms of case management, team work, screening and data recording. Consequently, new service agreements were needed.

In addition to service agreements with a range of providers covering drug and alcohol assessment and counselling, CISP also needed to establish protocols with the corrections services and youth justice services. These protocols set out arrangements for data exchange between the court and these organisations when CISP clients move through different parts of the criminal justice system.

Figure 3A shows that most of the service level agreements were finalised long after CISP was launched in November 2006.

**Figure 3A**  
**Service provision status at the Court Integrated Services Program launch—**  
**November 2006—and dates of finalisation**

Service type	Status at Nov 2006	Service agreement finalised by
Mental health services	Existing (CREDIT/Bail)*	October 2007
Drug and alcohol treatment	Existing (CREDIT/Bail)*	February 2007
Housing	Existing*	February 2007
Acquired brain injury	New	December 2006
Clinical supervision of CISP staff	Existing but separate provision. New integrated supervision proposed	December 2007
Protocol with Corrections Victoria	New	December 2007
Protocol with Youth Services and Youth Justice	New	September 2007

*Note:* \* The service was provided for the CREDIT/Bail programs, but needed to increase provision under CISP.

*Source:* Victorian Auditor-General's Office, based on information from the Department of Justice.

At the funding submission stage, the department clearly recognised the need to engage with service providers to develop a service delivery model. However, it did not effectively manage this process:

- The department did not have a stakeholder engagement strategy to guide the process. The department had initially intended to set up a stakeholders' reference group, but this was not done.
- No discussions took place between the department, service providers and the court during the implementation period. Discussions at this stage may have identified issues with service boundaries or the required levels of cooperation and interaction. While members of the working group recognised the need to involve service providers in discussions about the development of a service delivery model, this was not acted upon because the department's priority at the time was working out internal court processes.
- Individual members of the implementation team held discussions with service providers; however, there was no evidence that problems in the negotiations were reported back to the PCG.

The delays in finalising the service agreements contributed to the late launch of CISP, and compounded the uncertainty experienced by CISP staff who were already under pressure in adjusting to new requirements. These staffing issues were identified in a review of CISP processes and the organisational structure in 2007.

## 3.4 Managing operations

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While both programs, particularly CISP, took some time to resolve initial implementation issues, most operational procedures have been tested and now operate well. The court needs to actively monitor and develop appropriate strategies in two areas: CISP staffing and contract management.

### 3.4.1 Management of emerging issues

#### Neighbourhood Justice Centre

There was active management of key emerging issues, for example, NJC modified its staff structure in response to increases in the number and type of clients.

The initial process design was for a team of four staff members to conduct screening and assessment of clients before referring them to service providers. The limitation of this practice was quickly identified when increases in client numbers created a bottleneck at the screening and assessment stage. To address this, the new client service team combined workers from the screening and assessment team, and from service providers. This allowed a greater degree of cooperation among practitioners and streamlined services to clients.

NJC was also able to respond to growing demand by increasing:

- drug and alcohol counselling and family violence support staff
- the number of Koori Justice Workers to work more effectively with the relatively high Koori population in the locality.

#### Court Integrated Services Program

After the launch, the management of day-to-day operations was transferred from the department to the court. The department remained responsible for managing the CISP evaluations and service agreements which provide accommodation for clients and assistance for those with acquired brain injuries.

The court has since been effective in managing operations. It has benefited from an effective monitoring committee, ongoing process reviews and assessments by experts, and strong leadership from some magistrates in taking up and championing the program.

Management arrangements enabled day-to-day operational issues to be identified, communicated and dealt with in a timely manner. Soon after the program started, a program monitoring committee, chaired by the court, and an evaluation committee, chaired by the department, met monthly. These committees comprised members of the court's judiciary and administration, staff from the department, and CISP program managers. In addition, team leaders, case managers, staff and clinical experts also met regularly.

Expert evaluators were engaged to systematically assess the operation and to advise on whether each of the three program sites was operating in line with the program design. The evaluators worked effectively with the program team between 2007 and late 2008 to analyse:

- referral, screening and assessment processes
- caseload allocation and staff training issues
- profiles of CISP clients and the adequacy of risk-based case management.

The following case study illustrates how the evaluators' assessment was used to improve the consistency and completeness of risk recording during client screening.

**Figure 3B**

**Maintaining the integrity of the Court Integrated Services Program model**

In May 2008, after examining a sample of 120 case reports from the three court locations, the evaluator found:

- the rate of completed data entry on the screening assessment forms was high—around 95 per cent
- the level of risks assessed, and recommended interventions, were consistent with court decisions.

However, the review noted a high incidence of risk levels not being recorded on the screening assessment forms.

To rectify this, on 20 June 2008 the court organised a staff session where the evaluator presented and explained the importance of the assessment and risk categorisation. To ensure assessments were completed appropriately, the court also decided:

- the screening form should be amended to be more user-friendly
- team leaders should audit case files monthly and report any inconsistencies or gaps to management and provide feedback to the staff member concerned.

*Source:* Victorian Auditor-General's Office, based on information from the Magistrates' Court.

### 3.4.2 Areas for improvement

There are two areas that the court needs to pay particular attention to: high staff turnover in CISP, and the management of services contracts.

#### The challenge of staff turnover in the Court Integrated Services Program

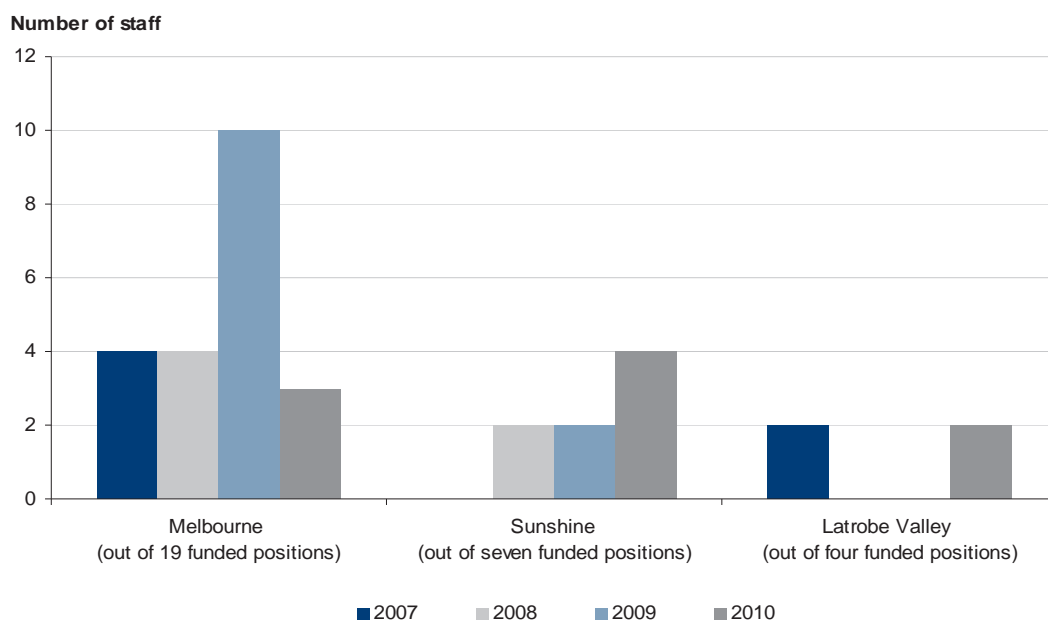
Over the past four years there has been a relatively high staff turnover which is having an impact on the number of clients the program can support. The court is currently addressing this issue.

In 2007 the court commissioned a review of CISP processes and organisational structure. This review identified the issue of high turnover amongst CISP staff.

Figure 3C is a snapshot of staff turnover from 2007 to 2010 across the three sites. Of the total of 34 exits, 29 were staff who resigned from the program, and five were due to the expiry of contracts, ill health and internal job transfers.

Of the total 19 positions funded in the Melbourne Magistrates' Court, the average turnover in a year was about 20 per cent; in 2009 it was 47 per cent. At the Sunshine site, four people out of seven funded positions resigned in 2010. At the Latrobe Valley Court which has three funded positions, two people resigned in both 2007 and 2010.

**Figure 3C**  
**Court Integrated Services Program staff exits by site, 2007–2010**



Source: Victorian Auditor-General's Office, based on information from the Magistrates' Court.

Two key contributing factors to the high turnover were identified:

- Staff reported a lack of clarity around roles, and a lack of professional development, induction and training
- Court management indicated that some staff felt their remuneration was not commensurate with people in similar roles at external community organisations.

CISP management attempted to address this by:

- holding a number of staff forums aimed at role clarification and team building
- finalising the CISP operational procedures in November 2008 to assist new staff in induction and training
- requesting that the department consider a revised staffing structure in an attempt to create a clearer career path for CISP staff.



It is not yet clear whether these measures can adequately address staff turnover issues or whether additional funding will be provided to support these initiatives. The court does not systematically conduct exit surveys of staff who resign from CISP. This information would inform the department and court about why people leave, and assist in developing an evidence-based strategy towards addressing these concerns.

### Better contract management

The department and court need to improve the specification of performance requirements in service contracts.

Specifying clear quality and quantity indicators in human service contracts is inherently challenging. There is a need to balance the specification of the quantitative delivery of services with quality considerations, which are more difficult to measure. The department and the court should engage service industry experts at the planning stage to help identify performance indicators, using measures of both quality and quantity. Including more robust performance indicators in contracts will allow for better monitoring of service providers' performance and assist in enforcing contract requirements.

As the case study in Figure 3D demonstrates, unclear contract specifications can limit the extent to which a contractor's performance can be managed.

**Figure 3D**  
**Managing the contract for Acquired Brain Injuries**

Acquired Brain Injuries (ABI) refers to any damage to the brain which has occurred after birth. ABI can be caused by a number of incidents—most commonly, an accident or trauma, and abuse of alcohol or other drugs. During CISP planning, the need for additional ABI services was identified.

On 19 December 2006, the department signed a \$600 000 contract with a non-government provider. The contract period was initially to 30 June 2009 but was later extended to 30 June 2010 due to insufficient time to go to tender in the second round of funding. The accumulative value of the contract was close to \$1 million. The department has now brought the service in-house instead of using external providers.

Because the contract specification was unclear on one of the key service outputs for in-depth neuropsychological assessments of ABI, the department was unable to resolve the court's concerns about the contractor's work.

- In May 2007 concerns were raised about unqualified staff being used by the contractor.
- By September 2007, long delays had been experienced in getting neuropsychological assessments done. Judges were frustrated that the court's process was being held up.
- In October 2007, the contractor promised to clear the backlog of assessments by the end of 2007, however, this did not occur due to a change of management. Long delays remained an issue for the court until August 2008.
- Subsequent discussions with the contractor revealed that the contract was not clear on the provision of neuropsychological assessments.

**Figure 3D**  
**Managing the contract for Acquired Brian Injuries – *continued***

- Almost a year later, in August 2008, additional providers were used to fill the service gap.
- In April 2009, the department reviewed the contract and questioned its value for money. The review recommended in-house provision of ABI assessment and case management instead of continuing the use of the external provider.
- In March 2010, the department approved three ABI positions in CISP.
- In October 2010, two ABI staff were appointed. A third staff member was appointed in January 2011.

Source: Victorian Auditor-General's Office, based on information from the Department of Justice and the Magistrates' Court.

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## Recommendations

2. That the Department of Justice and the Magistrates' Court:
    - better consult with stakeholders in implementing new programs and in risk management
    - have effective governance arrangements to actively monitor progress supported by timely and comprehensive reporting.
  3. That the Magistrates' Court conduct staff exit surveys to assist in developing a long-term resourcing strategy for Court Integrated Services Program, particularly to address staff turnover issues.
  4. That the Department of Justice and the Magistrates' Court manage service contracts with clearer and more enforceable qualitative and quantitative performance measures.
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# 4

## Achieving outcomes

### At a glance

#### Background

Both the Neighbourhood Justice Centre (NJC) and the Court Integrated Services Program (CISP) were evaluated over a number of years to determine whether they had achieved their intended outcomes. The final evaluation reports were released in December 2009. This audit examined the level of reliance that can be placed on the conclusions of the evaluations.

#### Conclusion

Both CISP and NJC showed indications of having contributed to a reduction in reoffending. While CISP showed it had a significant effect for offenders examined in the evaluation, definitive conclusions cannot yet be made for NJC. This is due to limitations in available data, primarily due to the small number of offenders who had completed the program and also because of difficulties in accessing data without onerous manual effort.

Each program has supported its intended client group and provided high-quality reports to the magistracy to assist their decision making. While NJC has positively contributed to addressing factors influencing local crime and disadvantage in the City of Yarra, it is not yet possible to conclude whether NJC met its many community goals, due to a lack of baseline data.

#### Recommendations

- That the Department of Justice evaluate NJC's effect in reducing reoffending when sufficient data are available.
- That the Department of Justice present research findings fairly and qualify them when appropriate in reporting publicly or seeking program funding.
- That the Magistrates' Court record the impact of interventions by problem-solving programs on judiciary decisions
- That the Department of Justice and the Magistrates' Court give priority to the use of unique identifiers for tracking defendants' contact within the criminal justice system.

## 4.1 Introduction

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Both the Neighbourhood Justice Centre (NJC) and the Court Integrated Services Programs (CISP) are designed to help offenders with complex problems through targeted support. If successful, these programs are expected to improve criminal justice outcomes by reducing reoffending rates and increasing compliance with bail and court orders. NJC is also expected to have a positive impact on the local Collingwood community by addressing disadvantage.

Early in the implementation of NJC and CISP, the Department of Justice (the department) conducted evaluations to assess if both programs were achieving their intended outcomes. Full evaluations were reported in December 2009. This section presents the audit assessment of those evaluations.

## 4.2 Conclusion

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Both CISP and NJC showed indications of having contributed to a reduction in reoffending. While CISP showed a significant reduction, definitive conclusions cannot be made at this stage as to NJC's effect on reducing reoffending due to the limitations of available data, particularly the small sample size.

Each program has supported its intended client group and provided high-quality reports to the magistracy to assist their decision making. While NJC has positively contributed to addressing factors influencing local crime and disadvantage in the City of Yarra, it is not yet possible to make a definitive conclusion about NJC's many community goals, due to a lack of baseline data.

## 4.3 Achieving criminal justice outcomes

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The department conducted evaluations to assess whether the following criminal justice outcomes had been achieved:

- reductions in reoffending rates (for NJC and CISP)
- decreases in court order breaches (NJC)
- increases in bail compliance (CISP)
- increases in court order compliance (CISP)
- a reduction in crime rates (NJC).

### 4.3.1 Reduction in reoffending

Evaluating program outcomes where the goal is a reduction in reoffending is challenging—many factors outside the control of a particular program can influence offending behaviour. Also, it is accepted that an intervention program's effect on reoffending behaviour is more accurately measured at least two years after the intervention. However, evaluations often have to be completed in a shorter time frame for the results to be reported in funding applications.

Data limitations and methodological constraints are further challenges. Robust program evaluations use:

- **representative sample sizes**—the larger the sample size, the more robust the conclusions
- **well-matched comparison groups**—to allow for factors such as gender, age, ethnicity, age of first offence or first contact with justice systems, severity of convicted offences and number of prior offences. These factors are known to indicate the risk of reoffending. In a successful evaluation, these risk factors should be similar in program participants and in a comparison group of non-participants, so that any differences can be attributed to the intervention.

In summary, the evaluation methodologies used to assess whether CISP and NJC had reduced reoffending rates were generally sound. However, the limitations of the available data, especially the small sample size, meant it is not possible to make a conclusion on the effect of NJC on reoffending at this early stage. While CISP has been shown to reduce reoffending, care needs to be taken in generalising this to the entire population, as the current analysis did not include one important factor—age of first offence. Research has shown that the younger a person commences offending, the more likely they are to reoffend.

### Neighbourhood Justice Centre

Due to the small sample size, it is not yet appropriate to draw conclusions on NJC's effectiveness in reducing reoffending.

The sample size used in the reoffending rates study was 100, compared to the sample of 200 required by the evaluators. This reduces the statistical significance of the results. It is acknowledged that this was unavoidable—at the time of evaluation, there had not been a sufficient number of criminal cases finalised but the evaluation data was needed for inclusion in a report to government for renewed funding.

While the small sample size was the overriding constraint in the NJC evaluation, there was a further methodological limitation. The offenders in the NJC sample and in the comparison group were only matched on offence type, gender and age. It is therefore not possible to definitively compare the risk of reoffending between the two groups because of the absence of other critical risk factors.

For future assessments, risk profiles of offenders should be better matched with the comparison group, including information such as gender, age, age of first offence, major offence type, number of proven offences, and proven offence history.

It is recommended that the objective to reduce reoffending be reassessed when sufficient data becomes available.

## Court Integrated Services Program

CISP has had an effect on reducing reoffending. At a follow up nearly two years after participants completed the program, the reoffending rate of the CISP group was 10 percentage points lower than the comparison group—39.5 per cent compared to 49.5 per cent. This is a statistically significant result, given the sample size of 200.

Due to the difficulty in systematically retrieving data records in Magistrates' Court's (the court) database, the matching of samples was done manually on the following indicators: gender, age, major offence type, number of proven offences and proven offence history, but not matched on age of first offence.

The age of first offence was not recorded in the court database. During the evaluation, the department formed the view that, although it was possible to obtain this data from the police database, it would involve time consuming and intensive manual matching. This would not have met the time frame available for the evaluation. It was decided not to include age of first offence in the evaluation. This is reasonable as it was possible to conclude there has been a demonstrable reduction in reoffending for the sample group.

While the current result was a strong indication that CISP had been effective in reducing reoffending, the limitation of the matching process means that care needs to be taken not to generalise this finding to the entire CISP population.

### 4.3.2 Completion of court orders and bail compliance

If NJC and CISP are having a positive impact on offender outcomes it is expected that both programs will result in higher completion rates of court orders. To successfully complete an order an offender must not breach the order or commit further offences.

As CISP clients are likely to be on bail at the time of receiving treatment, it is expected that CISP would increase bail compliance outcomes. A person complies with their bail when all of their bail conditions have been met.

At this stage—due to a lack of data—it is not possible to conclude whether the programs improved court order completion rates or if CISP improved bail compliance.

## Neighbourhood Justice Centre

NJC aimed to decrease the number of breaches of court orders. During the evaluation, the department decided that order completion rates, rather than the number of breaches, would be a better outcome indicator for NJC.

In evaluating whether NJC had met this objective, two issues were apparent:

- the assessment of compliance was based on a small sample size
- a number of external factors might have influenced compliance with court orders. For example, participants might have gone through a post-release support program concurrently with their NJC involvement.

Accordingly it was not possible to conclude if this objective was met.

## Court Integrated Services Program

CISP aimed to increase bail compliance and court order completion rates.

It is not possible to draw conclusions on bail compliance outcomes due to the unavailability of appropriate data. Bail data is not currently recorded in a way that allows for reliable and consistent analysis of bail outcomes for Victorian offenders.

Order completion data was not available at the time of the evaluation. While attempts were made to obtain this data from Corrections Victoria, the manual matching process took some time and the data was made available too late to be included in CISP's evaluation.

As an alternative, breaches of court orders were used to assess CISP, which was the best alternative available. This data was accessed from the court's database, which records proven breaches of court orders. Although small differences were found, they were not significant enough to conclude that CISP has had any effect in reducing order breach rates.

### 4.3.3 Contribution to reduction in crime rates

While NJC could contribute to a reduction of crime within the local community, it is not possible to attribute or measure the exact contribution made by NJC in the City of Yarra given the many external social factors influencing local crime, such as unemployment.

### 4.3.4 Improvements needed in data collection for evaluation

The early involvement of evaluators in the implementation processes of CISP and NJC was in line with better practice. The evaluators were able to establish a strong framework for data collection, which enabled the program evaluations to progress further than previous evaluations of pilot intervention programs.

Data limitations nevertheless compromised the robustness of the NJC evaluation and, to a lesser extent, the CISP evaluation. Specifically:

- the evaluators were not provided with the required data to assess compliance with bail conditions and court orders
- in evaluating the reoffending outcomes, the sample from CISP group and the comparison group were not able to be matched on age of first offence, while the NJC sample and its comparison sample were only matched for type of offence, age and gender, but not on other risk factors.

There are a number of issues with current databases that limit the ability to evaluate the effectiveness of problem-solving programs such as NJC and CISP:

- The recording of defendants' information in the court database, Courtlink, does not include a number of risk factors for reoffending. Courtlink does not record the age of first offence, which is an important risk factor for predicting reoffending.
- Courtlink records charges that went to court and the charge dates, as well as court sentences and the sentence dates. While this information is reliable, other information such as age of a defendant is less reliable because it is not verified.
- Courtlink, the Victorian Police database and Corrections Victoria's databases were designed in isolation to suit their individual operations. Currently, there is no way to track defendants through the criminal justice system. To make a comparison, data in the CISP sample had to be manually matched with the records in Courtlink or the databases of Corrections Victoria. This matching exercise was resource intensive and time consuming.
- Courtlink does not record whether a magistrate has considered access to CISP in making the decision on bail conditions or on sentencing. For example, Courtlink does not record if access to CISP contributed to someone being granted bail. However, this is currently not required by legislation to be entered into Courtlink. This limits the extent to which intervention programs can be effectively evaluated.

Given the significant investment in intervention programs, there is a need to more accurately evaluate the success of these programs in reducing reoffending, and other criminal justice outcomes. Government also requires a firmer evidential basis in considering funding decisions. The department and the court therefore need to better record the interventions applied and defendants' contact with various parts of the criminal justice system.

The department has been aware of the limitations of its data capabilities for some time. Resolving the data limitations is complex and challenging. The department has been implementing the Integrated Courts Management System to establish a single integrated technology platform and a set of applications for all Victorian courts and tribunals. This system aims to:

- record the data from all courts
- have a unique identifying number which would help track defendants through various parts of the criminal justice system
- provide both an operational system for courts' staff, and a system for monitoring and evaluation for management and policy staff.

However, the implementation of this data management system has experienced delays and it is not yet operational in the court. The rollout to all courts is scheduled by February 2012. The department advised that the change to using unique identifiers will come into effect well after this date.



## 4.4 Achieving client and community outcomes

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### 4.4.1 Neighbourhood Justice Centre

NJC has had a positive impact on its clients and the community. It has made a positive contribution to the City of Yarra by providing support and services to address the underlying factors that cause crime and disadvantage. NJC has succeeded in creating a culture that is welcoming and accessible, both to NJC participants and local residents. This has helped build local community acceptance and engagement.

The use of a single magistrate to preside over NJC allowed the magistrate to stay actively involved and aware of issues facing the local community. The magistrate's close involvement in cases brought to the NJC court—such as referring clients to, and requesting regular reports from, the multidisciplinary services team—created a court environment where offenders were held directly to account for their behaviour. This accountability was more likely to improve justice outcomes.

Having an on-site multidisciplinary team has resulted in both offenders and members of the local community having access to services to help them address complex problems. This has helped to address local disadvantage.

Specifically, it was found that:

- NJC has improved participants' confidence and involvement in the administration of justice. This has generated a higher level of meaningful involvement in justice processes.
- NJC participants are more likely than those in traditional court processes to be provided with treatment and support services.
- There is a high level of community engagement through community development activities—for example, hosting events for culturally and linguistically diverse groups—and participation in a wide range of advisory and consultative bodies on local social and justice issues.
- NJC has contributed to the identification and resolution of local justice issues through targeted crime prevention initiatives, such as the Park Smarter campaign which informs motorists on how to prevent thefts from cars.
- There was an increase in interaction by other City of Yarra agencies in justice processes which led to better connections between the criminal justice system and the wider community.

While this shows NJC has made a positive impact on the client groups and the local community, at this early stage it is not possible to determine whether most of NJC's objectives have been achieved. For example, the evaluation began after NJC had commenced its operations and was unable to gain pre-NJC baseline data for some program goals. This meant the evaluation was unable to compare pre- and post-study data to determine if there had been any progress towards the goals.

Figure 4A summarises our assessment of NJC’s client and community outcomes against their stated objectives.

**Figure 4A**  
**VAGO assessment of achievement of Neighbourhood Justice Centre client and community objectives**

Objectives	VAGO assessment
1. Increase the participation of the community in the justice system: <ul style="list-style-type: none"> <li>• increase objective measures of participation in the justice system by the people in the City of Yarra</li> <li>• increase perceptions of ownership and influence over the justice system by the people of the City of Yarra</li> </ul>	Inconclusive, due to lack of baseline data  As above
2. Improve community outcomes in response to identified needs: <ul style="list-style-type: none"> <li>• increase the amount of unpaid community work identified by the community as a local priority</li> <li>• increase the identification and resolution of local justice issues both inside and outside the confines of the court in the City of Yarra</li> </ul>	Inconclusive, due to lack of baseline data  As above
3. Improve community outcomes in the administration of justice in the City of Yarra by improving the confidence of participants, including victims, defendants, applicants, witnesses and the local community in the justice system	Yes, based on an appropriately designed surveys of court users
4. Improve the administration of justice for NJC court participants: <ul style="list-style-type: none"> <li>• link NJC court participants (including the homeless, young people, women, Kooris, people from culturally and linguistically diverse backgrounds and people with mental health issues and disabilities) to treatment or social services</li> <li>• increase perception of court fairness, respectful treatment and responsiveness to individual situations among NJC court participants</li> </ul>	Inconclusive, due to insufficient data: Data on indigenous status and ethnicity was not recorded by Courtlink and was not systematically recorded by multidisciplinary services team prior to the implementation of Trackcare in May 2009.  Yes, based on the appropriately designed surveys of court users
5. Modernise courts by contributing to cultural and procedural change in the justice system	Inconclusive: Although NJC developed new procedures such as the multidisciplinary services team, there is no evidence that systematic changes have occurred in the court system.

Source: Victorian Auditor-General's Office, based on information from the Department of Justice.

## 4.4.2 Court Integrated Services Program

The CISP client group exhibited the high prevalence of drug, alcohol and mental health problems known to be a common feature of offender populations. Across the program, just over one-third of all clients were identified as having a possible mental health problem. Nine per cent of CISP defendants were found to have an Acquired Brain Injury. This is significantly higher than the 0.6 per cent of the general population with Acquired Brain Injuries.

In relation to client outcomes, the program's stated aims are to:

- provide assistance to defendants presenting with multiple and complex needs
- identify and address underlying causes of offending
- improve access to a range of appropriate assessment, treatment and support services.

There is evidence that CISP has led to:

- **better client health outcomes**—CISP significantly improved participants' physical and mental health during their period on the program by providing short-term assistance and access to treatment and community services
- **better support to judicial officers**—magistrates at the three sites found CISP offered them access to timely, quality reports on clients' backgrounds. This helped these magistrates in their sentencing decisions. There is high level support for the program among magistrates who have access to CISP.

The audit cannot determine if CISP can 'address' causes of offending. The focus of CISP is referral to support services. Individual case management support does not extend beyond when a defendant finishes with the program—typically, after four months. Addressing the causes of reoffending requires long-term intervention and support.

Table 4B summarises our assessment of CISP against its stated client and community objectives.

**Figure 4B**

### VAGO assessment of achievement of Court Integrated Services Program client and community objectives

CISP objectives	VAGO assessment
Provide assistance for defendants presenting multiple and complex needs	Yes
Identify and address underlying causes of offending	Yes in identifying contributing factors of offending but inconclusive as to 'address' the causes, as discussed above.
Improve access to a range of appropriate assessment, treatment and support services	Yes

Source: Victorian Auditor-General's Office, based on information from the Magistrates' Court.

## 4.5 Reporting publicly

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In publicly reporting the outcomes of CISP and NJC, the department has published the success of both programs in reducing reoffending without qualification from their program evaluations. This is problematic given that data limitations meant that conclusions necessarily required qualification, particularly for NJC.

The department maintained that its public reporting of evaluation results was accurate but, based on Plain English principles, was simplified and condensed. The application of these principles should not, however, exclude important information, the absence of which could misinform the public.

In seeking funding approval, the department also did not provide appropriate qualifications of results on NJC's effect on crime reduction. In its 2009–10 submission for additional funding, the department presented reductions in various categories of crimes in the City of Yarra as evidence of NJC's success. This was not appropriate as the reduction in crime rates could not be directly attributed to the presence of NJC, as previously discussed. The department's internal draft submission included a qualification on the crime reduction. However, this was later removed when the department, at a central level, prepared the final funding submission for government. While the department has stated that the internal draft submission was available to the central agencies as part of the funding application, we have no evidence that the government committee responsible for funding decisions had access to this information. Accountability rests with the department to provide government with comprehensive information when seeking funding for programs.

### Recommendations

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5. That the Department of Justice evaluate the Neighbourhood Justice Centre's outcomes in reducing reoffending when sufficient data becomes available.
  6. That the Department of Justice present research findings fairly and qualify them when appropriate in reporting publicly or seeking program funding.
  7. That the Magistrates' Court record the impact of interventions by problem-solving programs on judiciary decisions.
  8. That the Department of Justice and the Magistrates' Court give priority to the use of unique identifiers for tracking defendants' contact within the criminal justice system.
-

# Appendix A.

## *Audit Act 1994* section 16— submissions and comments

### Introduction

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In accordance with section 16(3) of the *Audit Act 1994* a copy of this report was provided to the Department of Justice and the Magistrates' Court with a request for submissions or comments.

The submissions and comments provided are not subject to audit nor the evidentiary standards required to reach an audit conclusion. Responsibility for the accuracy, fairness and balance of those comments rests solely with the agency head.

## Submissions and comments received

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### **RESPONSE provided by the Secretary, Department of Justice**



### **Department of Justice**

Secretary

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Mr D D R Pearson  
Auditor-General  
Level 24  
35 Collins St  
MELBOURNE 3000

Our ref: CD/11/107010

*Des*  
Dear Mr Pearson

#### **Proposed Audit Report - *Problem Solving Approaches to Justice***

Thank you for your letter dated 15 March 2011 enclosing the proposed report on *Problem-Solving Approaches to Justice*.

Consistent with section 16(3)(b) of the *Audit Act 1994*, please find attached the Department of Justice response for inclusion in the report. The Department essentially accepts the recommendations in the report and will use the findings to continue to develop innovative problem solving approaches to justice across Victoria.

However, the Department holds a different view from the Auditor-General on the findings regarding reporting publicly at page 38 of the report. The Department's view is that research findings have been presented fairly and with appropriate qualifications to date. In particular, we do not agree that the plain English summaries of the evaluations of the Court Integrated Services Program and the Neighbourhood Justice Centre developed for public dissemination were problematic.

If you have any questions or would like further information regarding this matter, please contact Graham Hill, Executive Director, Courts.

Yours sincerely

**PENNY ARMYTAGE**  
Secretary

Encl.



**RESPONSE provided by the Secretary, Department of Justice – continued**

<b>VAGO Recommendation</b>	<b>Departmental Response</b>
<p>1. That the Department of Justice when developing problem-solving programs:</p> <ul style="list-style-type: none"> <li>• define clear and measurable objectives and relevant performance indicators in funding submissions to support the case for funding and to allow for the subsequent assessment of the outcomes against objectives</li> <li>• better consult with the Magistrates' Court on the implementation plan including risk identification and mitigation</li> </ul>	<p>The Department accepts this recommendation.</p> <p>The Department also notes the performance audit has reviewed practices from over five years ago and the Department has made substantial improvements to how it develops problem-solving programs since then, including how it defines program objectives and key performance indicators. It has also improved its approach to consultation with the court, within the constraints of the Cabinet-in-confidence nature of the funding submission process.</p>
<p>2. That the Department of Justice and the Magistrates' Court:</p> <ul style="list-style-type: none"> <li>• better consult with service providers in implementing new programs and in risk management</li> <li>• have effective governance arrangements to actively monitor progress supported by timely and comprehensive reporting.</li> </ul>	<p>The Department accepts this recommendation and notes it is also a recommendation for the Magistrates' Court's consideration and response.</p>
<p>3. That the Magistrates' Court conduct staff exit surveys to assist in developing a long term resourcing strategy for CISP, particularly to address staff turnover issues.</p>	<p>The Department notes this recommendation is for the Magistrates' Court's consideration and response.</p>
<p>4. That the Department of Justice and the Magistrates' Court manage service contracts with clearer and more enforceable qualitative and quantitative performance measures.</p>	<p>The Department accepts this recommendation and notes it is also a recommendation for the Magistrates' Court's consideration and response.</p>
<p>5. That the Department of Justice evaluate NJC's outcomes in reducing reoffending when sufficient data becomes available.</p>	<p>The Department accepts this recommendation.</p>
<p>6. That the Department of Justice present research findings fairly and qualify them when appropriate in reporting publicly or seeking program funding.</p>	<p>While the Department accepts this recommendation, the Department's view is different to the Auditor-General's with respect to whether research findings have been presented fairly and with appropriate qualifications.</p>
<p>7. That the Magistrates' Court record the impact of interventions by problem-solving programs on judiciary decisions.</p>	<p>The Department notes this recommendation is for the Magistrates' Court's consideration and response.</p>
<p>8. That the Department of Justice and the Magistrates' Court give priority to the use of unique identifiers for tracking defendants contact with the criminal justice system.</p>	<p>The Department accepts this recommendation and notes it is also a recommendation for the Magistrates' Court's consideration and response.</p>

**RESPONSE provided by the Chief Magistrate, Magistrates' Court**



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Our Reference: CD/11/114883

28 MAR 2011

Mr D D R Pearson  
Auditor-General  
Level 24  
35 Collins Street  
MELBOURNE VIC 3000

Dear Mr Pearson

**RE: PROBLEM SOLVING APPROACHES TO JUSTICE – PROPOSED  
AUDIT REPORT**

Thank you for your letter dated 15 March 2011 in which you enclose the proposed audit report on *Problem Solving Approaches to Justice*. In accordance with section 16(3)(b) of the *Audit Act 1994*, I provide to you my attached response for inclusion in the report.

The Magistrates' Court of Victoria (the Court) accepts the substantive findings of the audit report and will draw upon the recommendations for application to the future design, implementation and delivery of therapeutic court programs.

In relation to specific matters, the Court welcomes your findings as to operational management of the CISP, found in part 3.4 of the report. As you have noted, the CISP has benefited from the Court's deployment of effective governance structures, management arrangements, process reviews and strong judicial leadership. These factors have provided the strong foundation for the integration of the CISP into Court operations and culture.

As you will also see from my attached comments in relation to recommendation 7, there are some difficulties with this item. As the recommendation relates largely to matters of sentencing, it may be that the Sentencing Advisory Council ought be furnished with the audit report and requested to consider whether it discloses issues which align with their statutory function.

Please contact Charlotte Stockwell, Chief Executive Officer, Magistrates' Court of Victoria if you would like to discuss these matters further.

Yours sincerely



IAN GRAY  
Chief Magistrate



**RESPONSE provided by the Chief Magistrate, Magistrates' Court – continued**

<b>VAGO Recommendation</b>	<b>Response of the Chief Magistrate</b>
<p>1. That the Department of Justice when developing problem-solving programs:</p> <ul style="list-style-type: none"> <li>• define clear and measurable objectives and relevant performance indicators in funding submissions to support the case for funding and to allow for the subsequent assessment of the outcomes against objectives</li> <li>• better consult with the Magistrates' Court on the implementation plan including risk identification and mitigation</li> </ul>	<p>The Magistrates' Court of Victoria (the Court) notes that this is largely a recommendation for the Department's consideration and response.</p> <p>The Court notes that this audit reflects upon implementation steps taken in 2005/2006. It is the Court's view that, in the context of a partnership arrangement between the executive and judicial arms of government, improved consultation arrangements are now in place for the development and implementation of problem solving court programs.</p>
<p>2. That the Department of Justice and the Magistrates' Court:</p> <ul style="list-style-type: none"> <li>• better consult with service providers in implementing new programs and in risk management</li> <li>• have effective governance arrangements to actively monitor progress supported by timely and comprehensive reporting.</li> </ul>	<p>The Court accepts this recommendation and notes it is also a recommendation for the Department's consideration and response.</p> <p>The Court agrees that effective governance arrangements for programs of this nature are critical and it welcomes the auditor's findings that it has managed the CISP effectively and has been active in monitoring its operations through an effective monitoring committee, ongoing process reviews, assessments by experts and strong judicial leadership.</p>
<p>3. That the Magistrates' Court conduct staff exit surveys to assist in developing a long term resourcing strategy for CISP, particularly to address staff turnover issues.</p> <p>4. That the Department of Justice and the Magistrates' Court manage service contracts with clearer and more enforceable qualitative and quantitative performance measures.</p>	<p>The Court accepts this recommendation and work has commenced to develop and implement a program-wide exit survey model.</p> <p>The Court accepts this recommendation and notes it is also a recommendation for the Department's consideration and response.</p>

**RESPONSE provided by the Chief Magistrate, Magistrates’ Court – continued**

<p>5. That the Department of Justice evaluate NJC’s outcomes in reducing reoffending when sufficient data becomes available.</p>	<p>The Court notes this recommendation is for the Department’s consideration and response.</p>
<p>6. That the Department of Justice present research findings fairly and qualify them when appropriate in reporting publicly or seeking program funding.</p>	<p>The Court notes this recommendation is for the Department’s consideration and response.</p>
<p>7. That the Magistrates’ Court record the impact of interventions by problem-solving programs on judiciary decisions.</p>	<p>The Court notes this recommendation. Judicial officers of the Court make and record decisions within the frame provided by statute. Aside from specific legislative requirements, the matters to which a magistrate has regard in a proceeding and the manner in which these are recorded in the court register are matters of judicial discretion. With that in mind, the application of this recommendation, unless by specific statutory mechanism, is problematic.</p> <p>While there is potential merit in establishing a mechanism by which the direct impact of CISP on judicial decisions can be meaningfully quantified there are, in addition to the matters raised above, significant challenges to such a concept.</p> <p>The Court suggests that to take such an approach seeks to apply a purely causative, linear logic to what is essentially a synthesis of fact, law, discretion and judgment. These are the factors involved in the making of judicial decisions and the application of an impact quantification measure as proposed, may not be helpful or appropriate.</p> <p>As the this matter relates largely to matters of sentencing, it may be that the Sentencing Advisory Council ought be furnished with the audit report and requested to consider whether the recommendation discloses issues which align with their statutory function.</p>
<p>8. That the Department of Justice and the Magistrates’ Court give priority to the use of unique identifiers for tracking defendants contact with the criminal justice system.</p>	<p>The Court accepts this recommendation and notes it is also a recommendation for the Department’s consideration and response.</p>

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Report title	Date tabled
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