

## ATTORNEY-GENERAL

### Written Questions on Notice provided by Richard Riordan MP

1. **Budget Paper No.4, p. 72 regarding the Fines Victoria 'Infringement Management and Services (IMES) Reform Project IT solution'. Can you please advise the Committee what is the total cost to the Victorian State Government of the Fines Victoria new IT system, including not only the blown-out capital cost of the project but all identifiable output costs including:**
  - (i) **the cost resulting from blown-out project timelines;**
  - (ii) **the down-time of Sheriff's Officers; and**
  - (iii) **the cost to government revenue this financial year through the inability to issue or recover fine revenue by the Sheriff?**

The former Liberal Government introduced and passed the Fines Reform Bill 2014 without having scoped, developed or deployed a technology solution to support implementation of the reform and new Act.

Subsequent to passage of the legislation, the State undertook a tender process to identify a contractor to deliver an IT system that would support the end-to-end management of the fines lifecycle associated with the applicable complex legislation.

Page 56 of Budget paper 4 of the *Victorian Budget 2016/17* shows \$43.054 million associated with the Information Management and Enforcement Services (IMES) Reform Project IT solution, with the relevant footnote indicating the "*project supersedes two previously approved projects: Infringement Management and Enforcement Services – enhancement/equipment (statewide) and Reforming the Collection and Enforcement of Legal Debt in Victoria*", projects that were either initiated or progressed under the previous Liberal Government. Due to the failure of these projects and some component of their funding not having been expended, a portion of the \$43.054 million was allocated from the unspent funding associated with these previous projects.

An additional \$7.9 million in capital funding was subsequently provided for critical IT enhancements. The project also incurred costs for project staff, consultants and interface costs. These costs were originally expensed against output costs and then after assessment and under accounting standards capitalised against the project. These costs amount to \$12.3 million.

The current system functionality has not met the State's expectations so the State is working to achieve a better result for the people of Victoria.

As outlined in budget papers, the State estimates an increase in Other Regulatory fees from \$539 million (revised) in 2018-19 to \$579 million in 2019-20, which is an increase of \$40 million.

Under the *Fines Reform Act 2014* warrants no longer expire.

2. **What impact has the severe restrictions on Sheriff's Office operations, as a result of the Fines Victoria systems debacle, had on fines recovery and state revenues?**

See above.

Sheriff's officers have continued to execute civil warrants issued by the courts. The Sheriff continues to pursue outstanding fine and fee debt. Warrants no longer expire meaning the debt does not expire unless it is worked off, enforcement is cancelled or another outcome prevents collection.

Additionally, as changes under Fines Reform encourage people to pay or deal with their fines before they reach warrant stage and certain enforcement functions have transferred from the Sheriff to the Director, Fines Victoria, some reduction in enforcement activity by Sheriff's officers is expected.

**3. Why were the estimates for a Fines Victoria systems fix so wrong when Neil Mitchell had previously been told that a fix would be in place by September last year, at the latest?**

Since July 2018, processing backlogs have been reduced by 535,000 matters, including driver nominations. All backlogs that caused issues in 2018 have been resolved and Fines Victoria is operating at business as usual levels in these areas – processing nominations achieved business as usual levels in September 2018 and this has been maintained since.

**4. Have the IT systems under your oversight been the responsibility of the contractors selected to implement the new systems, or are the systems' failures down to the incompetence of government bureaucrats who failed to properly scope and oversight the contracted works?**

The former Liberal Government introduced and passed the Fines Reform Bill 2014 without having scoped, developed or deployed a technology solution to support implementation of the reform and new Act.

Subsequent to passage of the legislation, the State undertook a tender process in January 2016 ~~XXXX~~ ~~(insert date)~~ to identify a contractor to deliver an IT system that would support the end-to-end management of the fines lifecycle associated with the applicable complex legislation.

The current system functionality has not met the State's expectations so the State is working to achieve a better result for the people of Victoria.

**5. Were there any penalty clauses leveraged against the Fines Victoria IT system project's contractor?**

The department has been actively managing the contractor, which includes the use of monthly abatements where contractor performance does not meet requirement performance thresholds.

**6. Was there any facility within the contract to get the contractor to pay for system fixes themselves, so that taxpayers weren't left in the lurch again from another botched IT system under the incompetent management of a State Labor Government?**

The contract with the State's contractor, executed on 14 September 2016 ~~XXXX (date)~~ makes it clear that the rectification of system defects is the responsibility of the contractor and must be undertaken at the contractor's cost.

**7. Specifically, I note that the new Fines Victoria IT system's capital cost is now detailed as being \$63.3 million compared to its original planned delivery cost of \$43.05 million, a cost blow-out of \$20.25 million or a massive 47 per cent. Attorney, can you advise the Committee:**

- (i) why has there been such a massive cost blow-out in this botched Fines Victoria IT project;**
- (ii) will you provide an assurance to Victorian taxpayers that the final project cost will not blow out any further; and**
- (iii) exactly who is to blame for this Fines Victoria IT project cost blow-out?**

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8. **Specifically, I note that Budget Paper 4 details that the revised planned delivery date of the project is now Quarter 4 2019-20, or more simply, June 2020, compared to the original planned delivery end date of December 2017, a project completion timeline blow-out of some 18 months or an extra 113%. Minister, can you advise the Committee:**
- (i) **why has there been such a massive blow-out in the project completion timeline of this botched Fines Victoria IT project?;**
  - (ii) **will you provide an assurance to Victorian taxpayers that the final project completion timeline will not blow-out any further?; and**
  - (iii) **exactly who is to blame for this Fines Victoria IT project completion timeline blow-out.**

The complex nature of the required system coupled with the delivered system functionality not meeting the State's expectations has necessitated a revision of the project completion timeline. The State continues to work to improve performance to enable the State to deliver a better service to the people of Victoria.

9. **BP3, p. 278 regarding the budget performance measure for Infringements and Warrants which details that the number of warrants actioned is expected be only 35,000 for 2018-19, down from the 2018-19 target of 750,000, a reduction of 95.3 per cent. Minister, can you advise the Committee:**
- (i) **why has there been such a massive fall in the expected outcome in the number of warrants actioned this financial year?;**
  - (ii) **will you admit that the Fines Victoria IT system's fiasco has been responsible for this massive failure in meeting a major budget performance target?; and**
  - (iii) **will you now admit that this dramatic reduction in the number of warrants actioned is a serious failure by the Andrews Labor Government in the administration of justice in Victoria?**

At the time this target was set in April 2018 ~~XXXX (date)~~, full delivery of the IT system was anticipated. However, the complex nature of the required system coupled with the delivered system functionality not meeting the State's expectation has caused delays, impacting enforcement activities by Sheriff's officers. There continues to be a strong focus in Sheriff operations on increasing enforcement activities.

Under the *Fines Reform Act 2014*, warrants no longer expire therefore the debt does not expire unless it is worked off, enforcement is cancelled or another outcome prevents collection.

The Government is committed to working to improve system functionality to achieve a better result for the people of Victoria.

**10. Budget Paper No. 3, p.283, the Department of Justice and Community Safety performance measure for birth, death and marriage certificate completion applications processed within five days of receipt which is likely not to be met, falling from 100 per cent in 2017-18 to 85 per cent this financial year.**

- (i) Can you explain exactly why the new BDM IT system has been botched causing so much grief to many?;
- (ii) why did the project delivery cost blow-out by \$6.7 million or 47.9 per cent?;
- (iii) why did the project delivery timeline blowout by at least 15 months or 42% longer?;
- (iv) what will be the final total cost of the botched BDM system in terms of both capital and all identifiable output costs;

The Registry of Births, Deaths and Marriages Victoria (the Registry) deployed its new core business system, Registry Information Online (RIO) on 19 February 2019. The Registry's previous system, in place since 1990, was at the end of its life. Prior to RIO go-live, only certificate applications were available online. Almost all Registry services are now available online.

The transition has required operational changes for the Registry's staff and stakeholders (including doctors, celebrants, hospitals, and funeral directors). Certificate turnaround times temporarily increased while the transition to a new core business system was completed.

The Registry is currently undertaking a targeted campaign of finalising any outstanding applications, registrations and customer enquiries from the transition period. The Registry is keeping relevant stakeholders updated on its progress.

Some additional costs and timing changes were required to ensure successful project delivery and to:

- reflect the outcomes of user testing
- make necessary changes to the medical certificate of cause of death submission process
- address stakeholder feedback
- integrate the functionality necessary to implement same sex marriage in Victoria.

The forecast cost of designing, building and delivering the system (including project management costs) is \$29.2 million.

**11. In relation to the Government's introduction of the new BDM computer system and countless reports of an unacceptable backlog of thousands of certificates, can you advise the Committee:**

- (i) What was the total number of certificate requests (births, deaths and marriages) awaiting processing as at:
  - a. 1 January 2018
  - b. 30 June 2018
  - c. 1 January 2019
  - d. 1 June 2019
- (ii) What was the average number of days delay for certificate processing as at:
  - a. 1 January 2018
  - b. 30 June 2018
  - c. 1 January 2019
  - d. 1 June 2019

Once processed, certificate applications are reflected in Registry records as completed. Point in time data for average number of days delay in processing an application on past dates cannot be generated.

- 12. Budget Paper No. 4, p. 20, detailing new capital projects for Court Services Victoria totalling \$162.534 million. The current PPP contractual arrangements in place for the County Court building come to an end in 2022 and note that \$2.6 million in output funding was made available for a County Court Accommodation Strategy in the 2018-19 State Budget but there was no further mention in the 2019-20 Budget. With such lengthy lead-times involved in the procurement of new facilities, and in light of not only a current but future projected shortage of available court room and other facilities within Melbourne's courts precinct, could you advise the Committee exactly what plans are in place for the County Court post-2022 and will this involve a greater courts precinct infrastructure masterplan?**

The County Court of Victoria and Court Services Victoria are preparing for negotiations with the Liberty Group, and its owner, the Challenger Group, to establish a new Agreement. These negotiations will be Commercial-in-Confidence.

CSV is developing a Strategic Asset Plan for future court infrastructure needs across metropolitan and regional Victoria for all jurisdictions, including the County Court.

- 13. Budget Paper No 3, p. 263, detailing the Department of Justice and Community Services outputs totalling \$7.956 billion in 2019-20. I also refer you to the recent commencement on 1 March this year of the Oaths and Affirmations Act 2018. As part of the implementation of Act, there have been new forms and various amendments to the prescribed wording and processes required for the witnessing of statutory declarations, affidavits and certified copies. Whilst there are certain transitional arrangements for statutory declarations in place until 1 January 2020, honorary justices have been advised that these do not apply to other provisions of the Act. These changes have caused much confusion, consternation and complaint amongst honorary justices, including the need for honorary justices to replace certified copy self-inking stamps that incorporates the Act's prescribed new wording. When queried about who was going to pay for new self-inking stamps required by honorary justices, the Department of Justice and Community Safety's Honorary Justices Office, has been advising that the cost of new self-inking stamps were to be borne by individuals, that no funding provision had been made by the Department and therefore, it would not be funding new self-inking stamps, as it has previously done on a number of occasions, free of charge.**
- (i) why has the Department of Justice failed to appropriately resource honorary justices as part of the implementation of the new Act;**
  - (ii) is it wrong that out of a Department of Justice total budget of nearly \$8 billion, honorary justices are being asked to pay for new self-inking stamps out of their own pockets; and**
  - (iii) will you now commit to funding the necessary resources for honorary justices, including the cost of self-inking stamps, so that they can comply and not be in breach of the new Act?**

The Act provides plain language wording that an authorised witness might use when they certify that a document is a true copy of an original. The Department recognises that the wording outlined in the Act differs from the language of certification stamps currently in use by honorary justices in Victoria. However, the Department is satisfied that the continued use of the existing stamps does not contravene the Act. When honorary justices have sought advice on this question, the Department has confirmed that existing certification stamps may continue to be used without amendment, but that any honorary justice who prefers to do so may hand write the new wording when certifying documents. Advice to this effect will also be included in the additional resources that the Department is developing for all honorary justices. At no time has the Department advised honorary justices to purchase new certification stamps. However, the Department will continue to monitor the resources honorary justices require in order to undertake their important and valued work.

- 14. Budget Paper No. 3, p. 384 and Court Services Victoria output funding of \$666.7 million in 2019-20, including provision for the cost of operation the Magistrates Court. Could you please advise how many judicial officers, across all court jurisdictions, have made WorkCover/other agency claims, complaints, or sought assistance for mental health, court workplace and wellbeing reasons during the periods:**
- (i) Calendar year 2015**
  - (ii) Calendar year 2016**
  - (iii) Calendar year 2017**
  - (iv) Calendar year 2018**

All Victorian judicial officers have access to a range of assistance, counselling and support services through programs including the Judicial Officers Assistance Program, the Vicarious Trauma Program, Judicial Supervision Program and the Critical Incident Debriefing Program.

The support is provided on a strictly confidential basis and Court Services Victoria does not hold statistics in respect of whether the service was accessed due to mental health, stress or wellbeing reasons.

Court Services Victoria holds data in relation to WorkCover claims and the number of claims by judicial officers per year is so small that release of those figures risks breaching the privacy and confidentiality of the individuals concerned.

**15. How many WorkCover/ other agency investigations have been undertaken, across all court jurisdictions, in relation to mental health, court workplace, or wellbeing issues during the periods:**

- (i) Calendar year 2015**
- (ii) Calendar year 2016**
- (iii) Calendar year 2017**
- (iv) Calendar year 2018**

Six WorkSafe investigations were undertaken in the Financial Year 2018/19. The number of investigations in the period noted above is not readily available.