
Subject: 2019 Year-End Report for Provincial Offences Court

Report to: Joint Board of Management, Niagara Region Courts

Report date: Thursday, March 5, 2020

Recommendations

That this Report **BE RECEIVED** for information.

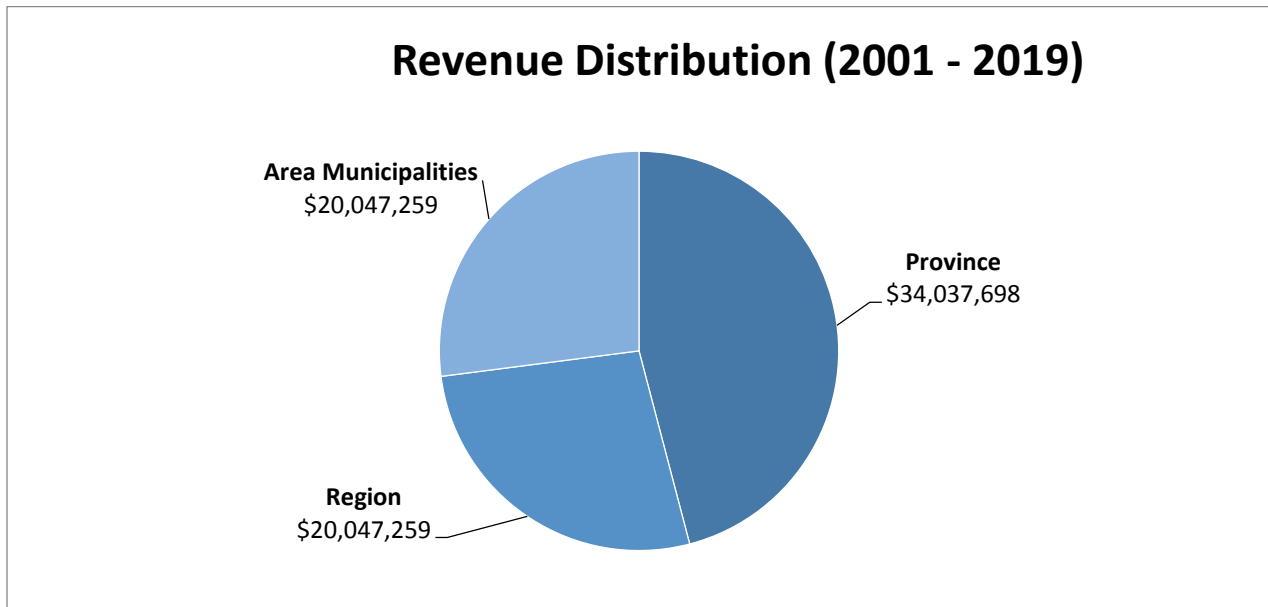
Key Facts

- Pursuant to the Memorandum of Understanding and Local Side Agreement with the Ministry of the Attorney General and the Inter-Municipal Agreement, The Regional Municipality of Niagara (the “Region”) acts as agent on behalf of the 12 local area municipalities (the “LAMs”) to administer the Provincial Offences Court located in Welland (and the St. Catharines court until its closure October 31, 2019).
- Court Services staff administers violations under the *Highway Traffic Act*, the *Trespass to Property Act*, the *Liquor License Act*, municipal by-laws, other provincial and federal offences and more serious matters such as charges under the *Compulsory Automobile Insurance Act*, the *Environmental Protection Act*, the *Fire Prevention and Protection Act* and the *Alcohol & Gaming Control Act*.
- In 2019, there was a 4.4% (\$318,808) decrease in gross infraction revenue over 2018, in spite of a 12.3% (3,933) increase in charges laid.

Financial Considerations

- In 2019:
 - Gross revenue, including net proceeds from the sale of surplus lands, was \$7,240,347, representing a 1.4% (\$103,350) decrease over 2018.
 - Gross expenditures were \$6,402,771, representing a 3.3% decrease (\$211,443) over 2018.
 - Net revenue of \$444,234 is expected to be distributed based on the unaudited operating statements for 2019, as per the Inter-Municipal Agreement.
- The Region assumed responsibility for the administration of the Provincial Offences Court in 2001 and since then:
 - The Region has received \$20,047,259 in net revenue, and as per the Inter-Municipal Agreement, the LAMs have shared \$20,047,259 in net revenue (based on unaudited 2019 results).

- The Region has paid the Province \$34,037,698 inclusive of victim fine surcharges, adjudication fees, part III prosecution charges, dedicated fines, oversight charges, and ICON processing charges.



Source of Data: Year End Operating Statements

Analysis

Revenue

Gross revenue in 2019 was \$7,240,347, a 1.4% (\$103,350) decrease over 2018. Gross revenue is impacted by a variety of factors, including but not limited to, applications for extension of time to pay, license suspension and charges laid.

- Applications for extension of time to pay fines:
 - The number of applications from 2018 (4625) to 2019 (4685) has remained consistent. There is a correlation between extension requests and revenue, as defendants usually file for extensions for economic reasons.
- Suspension of driver's licenses:
 - The number of suspensions decreased from 2018 (6190) to 2019 (4084). Suspensions occur when certain fines are not paid by the due date. Revenue is impacted through either a delay in a fine being paid or not paid at all. The opportunity to collect on revenue decreases as time passes. In 2019, the suspensions were delayed in order to increase early enforcement by the collection agency.

- Charges laid:
 - The number of charges laid increased in 2019. This is the first time since 2014 that an increase in charges has occurred; the previous trend showed a decrease on an annual basis.

Year	New POA Offence Charges
2014	53,913
2015	48,303
2016	40,026
2017	34,709
2018	31,957
2019	35,890

Continuous Improvement

Court Services continues to leverage every opportunity to do business differently through innovation and process improvements to reduce cost, maximize revenue and ensure access to justice.

Court Services continues to work in conjunction with the Niagara Regional Police (NRP) after implementing e-ticketing in 2017. The initial cost benefit of e-ticketing was realized in 2018 and will continue to be seen with a reduction in the cost of paper tickets, as well as the number of paper tickets required to be keyed into CAMS and ICON. Within 2019, 95% of tickets issued by NRP were issued electronically via e-ticketing, compared to 89% in 2018.

To enhance customer service to the LAMs and regional enforcement departments, as well as to reduce the financial implications related to charges withdrawn or dismissed due to a lack of reasonable prospect of conviction and/or because of errors in charging documents, the Prosecution Team worked with the LAMs and Regional enforcement departments providing pre-consultation services, which included assistance with inquiries on files prior to their appearance in Court.

Court Services Collections Team led an RFP, on behalf of the Niagara Region and a number of participating agencies, to solicit proposals from Collection Agencies to collect outstanding POA fines. The RFP was completed ahead of schedule, and contracts were executed within 2019. It is anticipated that informative collections data will be available later in 2020, based on the established 6, 9 and 12 month cycles of collections recovery.

Court Services achieved full amalgamation of services in 2019, following the closure of the St. Catharines courthouse and the centralization of all staff at the new Welland POA courthouse. Court Services has benefited from a reduced reliance on the labour pool and not needing to operate out of multiple locations. Based on a redistribution of work

following the centralization of staff, Court Services was able to streamline processes, continue to leverage the benefits of e-ticketing, while simultaneously dealing with an increased volume of work, resulting in a reduction of 3 FTE's for 2020 budget.

Niagara Region's Court Services Team held an information session in May 2019 for our local municipal enforcement agencies to review Trial Coordination and Prosecution services. The session was well received and resulted in excellent responses and reviews. As a result of the success of the inaugural session, Court Services intends to run the information session annually.

Court Services also collaborated with the Transportation, Business Licencing and Finance divisions to support the development of a business case for the 2020 budget to implement Vision Zero, a road safety initiative.

Costs

Gross expenditures in 2019 were \$6,191,327, a 3.3% decrease over 2018.

Costs are impacted by several operational factors, including but not limited to, trial requests, re-opening applications, the need to undertake enforcement to collect on delinquent fines and the number of court appearances to resolution (average of 3.9 appearances per case – reduction of 2.6%). These factors increase costs to administer through the court system from filing to completion. 2019 also saw a 7% increase in Early Resolution matters; 5843 in 2018 compared to 6244 in 2019.

Despite the increase in the number of charges laid and a decrease in overall costs, Court Services has continued to undertake a number of cost saving strategies:

- A decrease in personnel costs by the reduction of 3 FTE's through attrition;
- The new court master plan reduced adjudication costs by consolidating all matters to the new courthouse in Welland as of October 1, 2018 with the full benefit being realized in 2019;
- Court Services has continued to utilize video conferencing in the courtrooms to connect with interpreters and are exploring the use of video technology for remote officer testimony in 2020;
- Greater use of online video for meetings and video conferencing for appearances; and
- The benefit of the 2017 implementation of e-ticketing will continue to be realized beyond 2019 as more agencies transition to e-ticketing. Niagara Parks has begun to utilize e-ticketing as of January 2020 which will result in further benefit.

It is important to note that some of the savings outlined above were somewhat offset by increases in costs such as:

- Per diem prosecutors required to manage vacancies; and
- Unanticipated IT costs for software licenses.

The amounts paid to other POA courts for fees collected on their behalf varies from year to year and the amount is difficult to predict. This expense was higher than anticipated in 2019 by approximately \$46,000.

Customer Service

The average time to trial decreased from 5.0 months in 2018 to 2.0 months in 2019.

The prosecution unit continues to provide French language services to Provincial Offences Courts for trials in neighbouring municipalities on occasion in exchange for prosecutorial resource support in Niagara when required. Staff also continue to work with enforcement agencies to provide guidance in working toward consistent charging and prosecutorial practices.

A variety of information, including frequently asked questions and answers, are displayed on digital screens in the public waiting area to assist members of the public with information regarding court procedures. Furthermore, Court Services has implemented the online initiative spearheaded by the Ministry of the Attorney General to allow the public to look up the status of their matter online before the court and/or request an Early Resolution meeting.

Delinquent Fine Enforcement

In 2019, \$2,900,609 in delinquent fines was collected, which is consistent with 2018. On average, 664 new cases were added to the delinquent fines portfolio each month in 2019, up from an average of 578 cases per month from 2018. This represents a 15% increase or 1035 cases more than were added in 2018. This increase in delinquent cases is consistent with the increase in the number of charges filed in 2018.

As of December 31, 2019, approximately 80% of all fines outstanding were delinquent. Delinquency occurs when the time to pay a fine has expired and the fine or part of a fine remains unpaid. The balance or approximately 20% of all fines outstanding is on cases where there is a conviction and a fine amount assessed however not delinquent because there was time to pay granted or a subsequent extension of time to pay was granted.

A partnership was created between the Region and all 12 of the LAMs in the “add to tax roll” program, which has proven to be an effective enforcement initiative since its implementation in 2014. \$1,428,476 has been added to tax rolls in the Region and to date \$926,460 has been collected, which is a 65% collection rate. In 2019, \$123,344 of that amount was collected.

Staff utilize several other enforcement methods. These include the suspension of driver’s license, plate denial, use of third party collection agencies, and civil enforcement. Civil enforcement includes the garnishment of wages, bank accounts and the filing of Writs of Execution to secure property owned by the debtor.

Through ongoing investigative and collection efforts by staff, a total of 1885 writs have been filed by Court Services. As a result, \$5,700,000 has been secured and \$3,300,000 collected since implementing this process in 2003. It is anticipated that these Writs of Execution will continue to contribute to revenue in future years.

Alternatives Reviewed

N/A

Relationship to Council Strategic Priorities

The Provincial Offences Court is self-funding and therefore not reliant on the levy budget. 50% of the net revenue is split between the LAMs with the other 50% going to the Region, which could assist with achieving Council's priorities.

Other Pertinent Reports

JBM-C 1-2020 2019 Year-End Report for the Provincial Offences Court

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