



# 2019 Provincial Offences Administration Annual Report

# Table of Contents

Background .....	3
Provincial Offences Administration (POA) Snapshot .....	4
2019 Key Initiatives .....	4
2020 Key Initiatives .....	5
Emerging Trends .....	5
Charges Filed .....	6
Trials .....	7
Early Resolution (ER) .....	7
Fail to Respond .....	7
Revenues .....	8
Collections .....	9

# BACKGROUND

Provincial Offences Administration (POA) administers to charges from approximately 40 enforcement agencies for all acts and regulations under the *Provincial Offences Act*. A charge going to court can result in many different dispositions which do not result in a fine. A charge can be withdrawn, dismissed or suspended, all of which result in zero revenue for the City. An Early Resolution meeting can result in an agreed upon plea to a reduced charge and / or a reduced fine. Charges filed are varied and cover a broad range of legislative enforcement from speeding to careless driving under the *Highway Traffic Act* (inclusive of Red Light Camera), charges under City of Hamilton By-Laws (excluding parking offences), *Liquor Licence Act*, *Trespass to Property Act*, *Compulsory Automobile Insurance Act*, the *Environmental Protection Act* and *Occupational Health and Safety Act*, to name a few.

POA administers Part I and Part III offences under the *Provincial Offences Act* which are filed by Enforcement Agencies. Administrative Penalty System (APS) offences are not administered by POA.

A Part I offence is commonly referred to as a "ticket" and is most often issued by an officer at the time of the offence. When a Part I offence notice is issued, the defendant can either plead guilty and pay the fine, request an early resolution meeting with a prosecutor, or request a trial. A Part III offence is considered a more serious offence and requires the defendant to appear before a Justice of the Peace.

POA is located at 50 Main Street East, which accommodates administrative offices and four courtrooms. POA is comprised of the following services: Court Administration, Court Support, Collections and Prosecution (reporting through Legal Services).

**Court Administration** responsibilities include:

- processing fine payments and requests for extension of time to pay
- scheduling early resolution meetings and trials
- updating court documents
- receiving and processing all new charges
- appeals and re-openings of charges

**Court Support** responsibilities include:

- ensuring courtroom decorum and capture of the official court record
- production of transcripts as requested
- management of court documents and exhibits
- swearing in of witnesses and interpreters
- arraigning the defendant on charges

**Collections** responsibilities include:

- pursuit of the collection of overdue fines
- searching for current address and phone information to assist in contact with defendants
- updating database system for collection activity

Each year, POA solicits an independent audit of the financial statements for the Provincial Offences Office. As per the Memorandum of Understanding (MOU) between Her Majesty the Queen in Right of Ontario as represented by the Attorney General and the City of Hamilton, the completed audit is submitted annually to the Attorney General and the Ministry of Finance.

# POA SNAPSHOT

The following provides a 2019 snapshot of POA performance:



**\$13 M**  
in Revenue  
(net provincial transfers)



**\$73 M**  
Outstanding accounts receivable



**\$4 M**  
Contribution  
to Net Levy

**\$5.7 M**

Revenue collected from  
defaulted accounts receivable



**4,334**  
Trials Requested



**12,366**  
Early Resolution (ER)  
Meetings Requested



**83,416**  
Charges Received

## 2019 KEY INITIATIVES

In 2019, several continuous improvement initiatives were implemented:

- Added digital signage to create awareness of process and upcoming changes
- Initiated investigation to changes to the lobby (queuing system and seating) to support a welcoming environment
- Supported multi-municipal working group in the development of a solution to replace the end of life CAMS system (Court Administration Management)
- Introduced enhancement in collection activities in collaboration with internal departments in order to facilitate payment
- Initiated the implementation of remote interpretation for early resolution meetings and trials to reduce costs
- Continued to work with external collection agencies and monthly statistical updates to improve the collection of outstanding fines
- Reviewed the anticipated increased workload and impact on staffing from Bill 177 to determine how best to manage these new responsibilities

## 2020 KEY INITIATIVES

Several continuous improvement initiatives are being launched for 2020:

- Implement remote interpretation during the fourth quarter for early resolution meetings and trials to reduce travel costs by an estimated \$20,000 annually
- Continue to work with external collection agencies to improve the collection of outstanding fines
- Prepare for the downloading of duties as defined by Bill 177 by continuing to review processes in areas such as review and decision on Fail to Responds, re-opening requests on convictions and requests for an extension of time to pay a fine

## EMERGING TRENDS

The following changes to the legislative environment will impact POA:

- **Bill 177** sets out legislative reforms to the *Provincial Offences Act* that modernize and streamline processes. Bill 177 would amend two key areas of the POA Court process:
  - give the Province the authority to transfer Part III prosecutions from the Ministry of the Attorney General to municipal partners; and
  - give the Clerk of the Court additional powers and duties that are currently performed by Justices of the Peace.

There will be costs associated with the download of Part III prosecutions, as well as, additional duties of the Clerk of the Court. The timing of the download of the prosecution portion will depend on when the Ministry of the Attorney General approaches the City with a new Memorandum of Understanding (MOU) or an amendment to the existing MOU. The portion in relation to duties of the Clerk of the Court is expected to be downloaded in August 2020. The financial impact of Bill 177 is still in negotiations and will be reflected in future budgets.

- **Administrative Penalty System (APS)** is an alternative process which allows the municipality to manage certain types of disputes rather than utilize the provincial court system. Municipal By-Law disputes account for 1% of total charges filed. Electronic speed enforcement and Red Light Camera offences are being considered for inclusion in APS, however, no decision has been made.



# CHARGES FILED

In 2019, POA received 83,416 charges of which, approximately 95% of the charges filed resulted from Hamilton Police Services, Red Light Cameras and the Ontario Provincial Police (OPP).

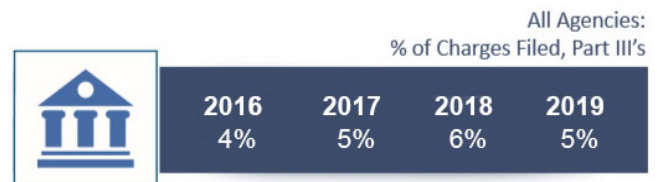
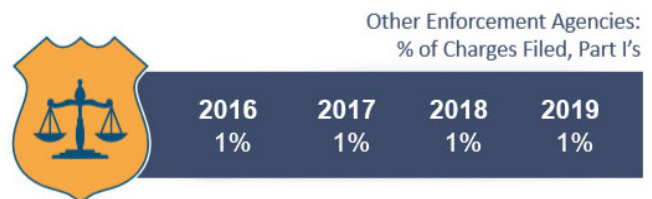
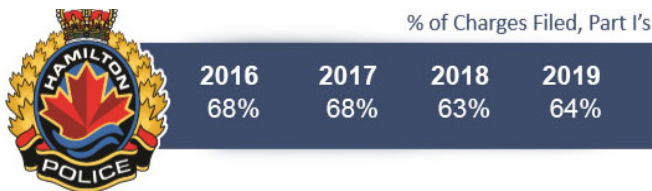
## Total Charges Filed

2015	2016	2017	2018	2019
86,048	83,818	77,861	79,839	83,416

The number of charges filed has been increasing over the three-year period from 2017 to 2019. The majority (95%) of charges filed relate to the *Highway Traffic Act*.

The table below depicts Part I's and Part III's, by enforcement agency, as a percentage of charges filed over a four-year period.

## % of Charges Filed By Agency (Part I and Part III)



The proportion of charges filed by Hamilton Police Service has decreased by 4% since 2016. With the introduction of additional cameras, the proportion of Red Light Camera charges has increased by 7% since 2016. OPP charges have demonstrated a downward trend since 2016. Charges filed by other enforcement agencies such as Ministry of the Environment, Ministry of Labour, etc. have been consistent for the past four years. In 2017, Municipal Law Enforcement (MLE) charges commenced its transition to the Administrative Penalty System (APS) office, resulting in a decline of charges processed through POA. Part III's continue to be processed within POA.

## TRIALS

Trials and matters are scheduled five days a week in four courtrooms. POA processed 4,334 requests for trial in 2019. Trials are being scheduled into the Fall of 2020.

	Courtroom Hours			
	2016	2017	2018	2019
<b>All Courtrooms</b>	1,911	1,959	1,685	1,774

The number of courtroom hours has been trending down over the four-year period from 2016 to 2019. Contributing factors include availability of judicial resources, the actual time matters take and the closure due to change in location.

## EARLY RESOLUTION

This process is intended to provide resolution to court matters without a trial. Of all Part I's filed, 16% (approximately 12,366) result in a request for an Early Resolution meeting with a prosecutor.

	% of Early Resolution Hearings Scheduled				
	2015	2016	2017	2018	2019
<b>Part 1</b>	16%	17%	15%	14%	16%

From 2015 to 2019, the percent of early resolution hearings scheduled has remained steady.

## FAIL TO RESPOND

In 2019, 28% of all Part I certificates of offence filed were placed on a Fail to Respond (failed to respond to any settlement or dispute options) docket. Administratively, this process takes more time as the tickets need to be reviewed by a Justice of the Peace before a conviction and notice can be issued. Under Bill 177, tasks associated with the Fail to Respond process would be downloaded to POA.

	Fail to Respond				
	2015	2016	2017	2018	2019
<b>Part 1</b>	26%	30%	29%	28%	28%

From 2015 to 2019, the percent of Part I's filed that were placed on a Fail to Respond has remained steady.

# REVENUES

POA administers to and collects fines where revenue is disbursed to other City business units such as Animal Services, Building Division and Licensing and By-Law Services and Traffic Engineering and Operations (Red Light Camera charges). Red Light Camera revenue is transferred to Public Works, less Service Ontario fees and an administrative cost. Similarly, Licensing and By-Law Services and Building Division revenue is transferred to Planning and Economic Development, less an administrative cost.

Dedicated Fines, Victim Fine Surcharge, expenses associated with Part III prosecutions prosecuted by the Province and any POA fines levied against the City are payable to the Ministry of the Attorney General. Fines collected for other POA sites (i.e. Brantford, Burlington, etc.) are paid quarterly to the appropriate municipality after reconciliation with quarterly statements. The remaining revenue is used to offset any remaining administration costs and contribute to the net levy. Payments can be made at any POA court office, over the phone, online via Paytickets (third party vendor), at Hamilton Municipal Service Centres and at Service Ontario locations.

Net revenue has been slowly increasing over time due to new offences being created, legislation providing for increasing maximum or set fines over time and population increases adding to the number of offences.

## Net Revenue (net POA transfers) Part I and Part III

	Total	POA	Municipal
2015	\$11,352,372	\$7,474,524	\$3,877,848
2016	\$10,950,060	\$7,034,808	\$3,915,252
2017	\$11,093,745	\$6,761,883	\$4,331,862
2018	\$11,704,890	\$6,991,102	\$4,713,787
2019	\$13,021,273	\$7,444,277	\$5,576,996

The municipal portion of net revenue (total revenues less payables to other POA sites and the Province) has been increasing while the POA portion has been steady. The POA portion, approximately \$7.4M in 2019, represents revenue generated from provincial statutes such as the *Highway Traffic Act*, *Environmental Protection Act*, etc. The municipal portion includes all revenues that are distributed within the City which includes Red Light Camera charges and Municipal Law Enforcement and Building Division. The number of Red Light Camera charges filed has steadily increased since 2015\*. This is due to the addition of cameras over time. Part III charges, which are a more formal Summons to Defendant requiring attendance at court, have remained steady over the same period. Part III convictions will often result in fines which exceed \$1,000 and, in some cases, may total in the hundreds of thousands of dollars.

\*Note: 15 Red Light Cameras were added between 2015-2019.

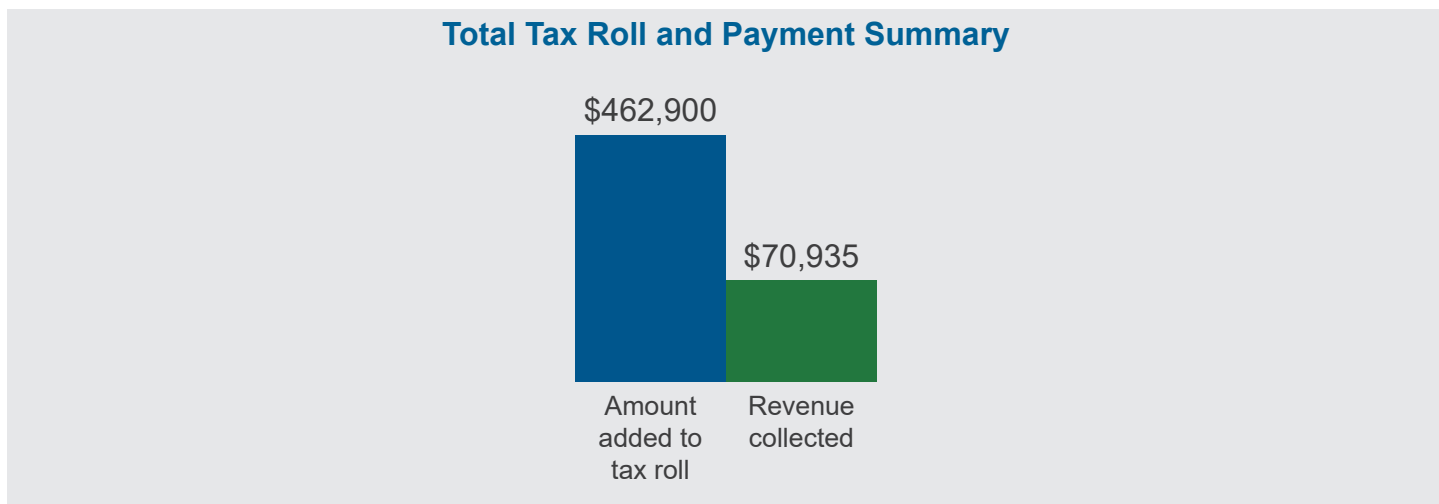


# COLLECTIONS

POA utilizes several collection methods which include internal collection efforts, external collection agencies, tax rolling, garnishment and writs. The value of the receivable falls rapidly as a function of time. The longer the debt has been owed, the less likely POA is to collect.

Internal collections were responsible for collecting \$4,325,300 and the external collection agencies collected \$1,417,363 in 2019. This represents an increase in overall collections by the internal staff and the collection agencies of \$198,493 over 2018. In 2018, the Province introduced legislation to improve collection efforts (inability to renew plates and drivers' licenses for driving-based offences) to encourage payment. POA has leveraged this opportunity by redirecting defaulted Red Light Camera collections to plate denial (up to a two-year process) saving the cost of the external agency fee.

Fines that qualify are added to the defendant's property taxes (tax roll). Since the introduction of tax rolling by POA in 2017, \$462,900 in outstanding fines has been added to the tax roll with \$70,935 of those fines being collected as of December 31, 2019. For a defaulted fine to be tax rolled, property ownership must be confirmed. Specific business units, such as Licensing and By-Law Services, have the authority to deny issuing or renewing a license if a fine is outstanding.



As of December 31, 2019, there were approximately 90,903 defaulted fine records for a total outstanding default amount of \$73,129,717.

Write-offs for Deceased Persons, which are an automatic write-off by the Ministry of the Attorney General, totalled \$729,791.