

Courts Administration Program

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In Ontario the court system comprises the Provincial Division, the General Division and the Ontario Court of Appeal.

The majority of criminal cases are tried in the Provincial Division courts. This Division also deals with provincial offence charges such as those under the *Highway Traffic Act* and *Liquor Licensing Act* and certain family law matters. The General Division courts try more serious criminal cases and civil matters including small claims. The Court of Appeal hears both criminal and civil appeals. In this section, we refer to the courts as the Judiciary and the Chief Justices as the Heads of Court.

The Courts Administration Program supports the operations of the court system through a network of approximately 250 courthouses. Its primary functions include:

- providing courtroom staff—clerks, interpreters and reporters;
- preparing enforcement documentation and enforcing orders, maintaining court records and files, and serving the public and the Bar;
- providing support services such as trial coordination, court statistics, caseload management, and information technology to both federally and provincially appointed Judiciary; and
- collecting fines.

Total program expenditures for the 1996/97 fiscal year were \$252 million, \$188 million of which comprised salaries and benefits for the Judiciary (\$68 million) and for the Program's staff (\$120 million). Revenues collected totalled \$247 million for the year.

OBJECTIVES AND SCOPE

Our audit objectives were to assess whether the Ministry and, where appropriate, the Ministry in conjunction with the Judiciary, had adequate procedures in place:

- to ensure that the Program's resources were managed with due regard for economy and efficiency;
- to measure and report on the effectiveness of the Program's contribution toward achieving the Ministry's goal of becoming a modern, more accessible and more effective justice system; and
- to ensure proper control over the collection of fines.

Our audit included interviews with and surveys of ministry officials and the Judiciary, as well as an examination of files and documentation at the Ministry's head office and a number of regional offices and courthouses. We reviewed recent audits performed by the Ministry's Audit Services Branch and noted that it had not performed any recent work in the areas we audited.

We also received comments from the Heads of Court, who identified common concerns about the administration of courts in such areas as accountability, budget matters, availability of judges, technology, information systems and training. We took their comments into consideration regarding areas within the scope of our audit.

OVERALL AUDIT OBSERVATIONS

Our audit was conducted during a time when the justice system was undergoing major restructuring. A number of significant initiatives were already under way and their successful implementation should serve to address many of our concerns.

The present structure of the courts administration system is complicated by the absence of a clear division of authority and responsibility between the Ministry and the Judiciary. More clearly defined accountability is needed to ensure that program resources are managed with due regard for economy and efficiency.

Many courts still have serious backlogs of criminal cases. While most of the factors which prevent the timely disposition of cases are beyond the control of the Program, it could assist the Judiciary in dealing with backlogs by providing better information on the causes of delays.

Additionally, to achieve its goal of becoming a modern, more accessible and more effective justice system, the Ministry and the Judiciary need:

- to work together to improve the quality of information produced by the Program for managing caseload and for case management; and
- to develop performance indicators to measure the Program's contribution toward that goal.

As well, better information is needed for financial planning and decision making to enable the Ministry to assess whether desired results are achieved at appropriate costs.

Both the Ministry and the Judiciary have identified the need for improved technology and the upgrading of existing equipment, and we agree that such changes are necessary.

To improve the collection of fines, the Ministry needs to transfer overdue fines to the Central Collection Service on a timely basis. To a great extent, however, this will not be possible until Management Board Secretariat completes the process of selecting private collection agencies to work as agents for the Central Collection Service.

DETAILED AUDIT OBSERVATIONS

During the audit the Heads of Court provided us with helpful comments and their perspectives on the justice system. For example, the Chief Justice of the Ontario Court's General Division stated that any review or audit of the administration of justice must consider the following points.

- The administration of justice is not characterized by the pursuit of a single goal, and the aims of the justice system are not easily stated or measurable. Obtaining justice is a question of arriving at a fair and just result in each individual case.
- In the administration of justice, the major participants are independent of each other. This independence is the cornerstone of fairness, the first principle in any justice system. Judicial independence also requires that judges be independent of the Chief Justice and each other.

The Chief Justice further stated that the foregoing is not meant to suggest that the administration of justice should not be accountable for the public resources it uses but rather to emphasize that it requires adequate resources to achieve its aim and that the effectiveness of the system cannot be measured solely against standard business criteria.

ACCOUNTABILITY

The justice system in Ontario is complex and unique. Within the system are both federally and provincially appointed judges who operate independently of the administrative and legislative arms of the government. The Ministry is responsible for managing the budget, hiring and terminating court staff, and providing support services to the Judiciary. As part of its adjudication function, the Judiciary has certain responsibilities for directing the operation of courts, such as determining the dates of court sittings and assigning judges to cases.

Both the Ministry and the Judiciary indicated that the system was complicated by the absence of a single accountability structure and a clear division of authority and responsibility between the two bodies. The dual structure of accountability has often led to difficulties in decision making and inefficiencies in delivering services.

One difficult area is the administration of the Program's budget. From the Judiciary's perspective, judges best understand the needs of the courts and have the best grasp of court operations, such as the time needed to complete cases and court resource requirements. However, it is primarily the Ministry that establishes the staff complement and makes hiring and training decisions, sometimes without consulting the Judiciary. Concerns were also expressed about a lack of timely action in addressing the Judiciary's requirements for such items as accommodation, staff training and the upgrading of court equipment, and insufficient attention to its information needs.

However, managing the budget is the Ministry's responsibility, and, from the Ministry's perspective, that task is made difficult because it has little control over most expenditures. For the 1996/97 fiscal year, the Program's operating expenditures totalled approximately \$235 million, \$188 million of which comprised salaries and benefits to the Judiciary and court staff. Another \$17 million was for expenses directly related to court operations such as witnesses, part-time interpreters and transcripts. The Ministry indicated to us that it had little control over the costs

of many of these services, which must be provided upon request from the Judiciary or the Crown. Without the ability to exercise control, it cannot ensure due regard for economy and efficiency.

The Ministry acknowledges and respects the complexity and uniqueness of administering the justice system. It is of the view that the justice system should be managed as a partnership between its participants, with due respect for the independence of the Judiciary. It believes that there is a need for a governance framework that sets out the responsibilities and accountabilities of the partners for the management of the justice system. This framework would be developed with participation from the bench, Bar, government and public.

The Ministry believes such a framework will ensure that the independence of the Judiciary is respected, while improving the level of consultation and cooperation between the partners. As well, the framework is expected to define accountabilities and establish performance standards for the delivery of court services.

The issue of accountability for court administration has been a long-standing one, both in Canada and internationally, and has been discussed in a number of studies since at least 1976. In 1995 the Ministry published the results of a study, co-chaired by the Ministry and the General Division Judiciary and entitled *Civil Justice Review - First Report*, which examined the issue of accountability within the system of court administration.

That report concluded: "The justice system can no longer function effectively in Ontario unless a single authority, with clear lines of responsibility and accountability, is established to deal with all administrative, financial and budgetary, and operational matters relating to court administration in the Province."

The Ministry has had a Memorandum of Understanding (MOU) with the Provincial Division since June 1993 (renewed in January 1996) which spells out the respective responsibilities of the Ministry and the Chief Justice's Office for defined areas. The Ministry indicated that the MOU has been instrumental in ensuring that both parties take their financial and administrative responsibilities seriously. However, it acknowledges that much remains to be done in addressing accountability in other areas not covered by the MOU and with other Courts.

In November 1996 a Framework Agreement was reached between the Ministry and the Heads of Court to develop a plan for the reform of the management of court services in Ontario. Their intention was to address the matter jointly, in a two-phase exercise.

- In Phase I, a small joint working group was to conduct a study of the feasibility of a reformed structure for the management and delivery of court services.
- In Phase II, the Ministry and Heads of Court was to consider the Phase I proposal and, if they believe it to be satisfactory, direct the working group to research and develop a plan for reform.

If this process produces a viable plan for reform of the management of court services, the Ministry intends to proceed with a cabinet submission proposing the plan. The joint working group was to deliver the Phase I report to a steering committee co-chaired by the Minister and the Chief Justice by January 31, 1997.

The draft Phase I report was delivered to the steering committee in February 1997 setting out some recommendations and seeking further direction from the steering committee on a number

of specific issues. The steering committee has met to discuss the draft report, and, at the completion of our audit in May 1997, we were informed that a determination of feasibility will be made within the next few months. If structural reform is considered feasible, a detailed plan will be developed.

Recommendation

To help the justice system function more effectively, the Ministry and the Judiciary should ensure that reform of the management of court services clearly establishes accountability and responsibility for achieving desired results.

Ministry Response

As indicated in the report, the Ministry has established a Joint Working Group and Steering Committee with the Judiciary, to explore recommendations by the Civil Justice Review on sharing the management and delivery of court services. The Review includes options for increasing accountability and clarifying responsibility for achieving results.

The Steering Committee is currently reviewing the draft report of the Joint Working Group on options to advise on further actions.

The Courts Administration Division has identified the Judiciary as a key stakeholder for implementation of its 1997/98 Operations Plan, and will be jointly exploring ways of pursuing shared administrative objectives during this period.

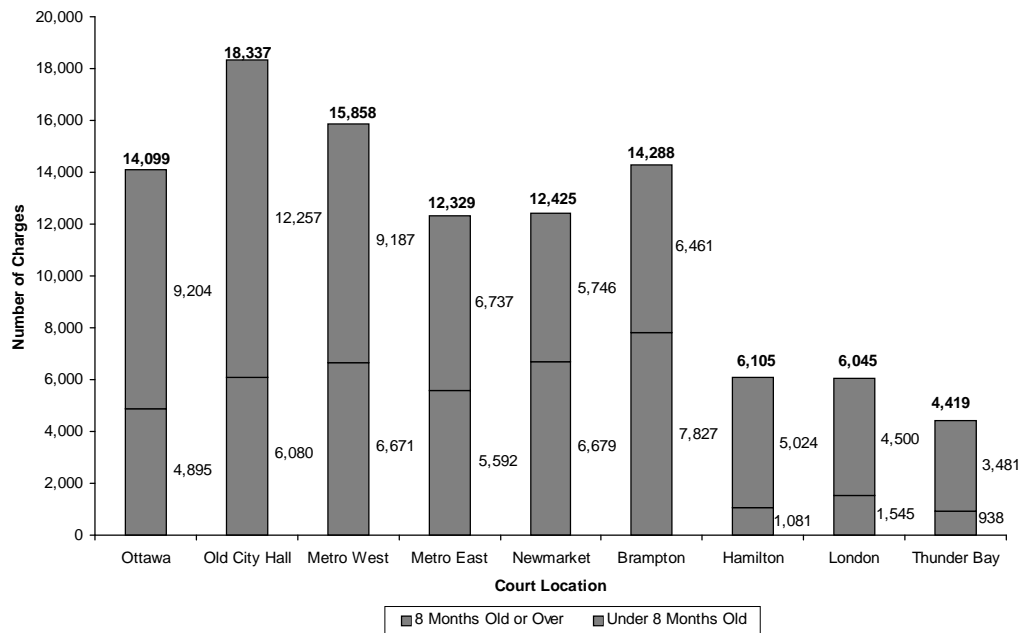
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BACKLOGS

In October 1990, in a ruling known as the Askov Decision, the Supreme Court of Canada declared that individuals had the right to trial within a reasonable amount of time. This decision under the *Charter of Rights and Freedoms* stated that the acceptable time to trial in the General Division was generally six to eight months, and that time period was interpreted to apply also to Provincial Division trials. The precedent set by this decision resulted in over 50,000 charges being stayed in Ontario within months of the ruling.

At the time of our audit, we noted that many courts still had serious backlogs of criminal charges over eight months, as illustrated by the following chart.

**Criminal Charges Pending in Provincial Division by Selected Court Location
as at December 31, 1996**



As at December 31, 1996, the General Division had about 2,700 criminal charges pending, of which 990 were eight months old or over. (As at December 31, 1995, about 3,740 charges were pending, of which 1,540 were eight months old or over.)

Source: Ministry of the Attorney General data

According to the Ministry and the Judiciary, the causes of delays include: unreadiness of the parties; lack of available judges and courtrooms; complex and time consuming preparation of cases by parties and their legal advisers; lengthy trials; increasingly complex rules of procedure and legal issues; and increasing numbers of persons appearing before the court without legal representation. Additionally, the interests of the parties involved in a case—judges, court officials, attorneys, police and defendants—are, due to the nature of the judicial process, diverse, which may further contribute to delays. Most of the factors which prevent the timely disposition of cases are beyond the control of the Courts Administration Program.

Since the Askov Decision, the Ministry has attempted to address the backlogs of criminal cases through a number of initiatives, including:

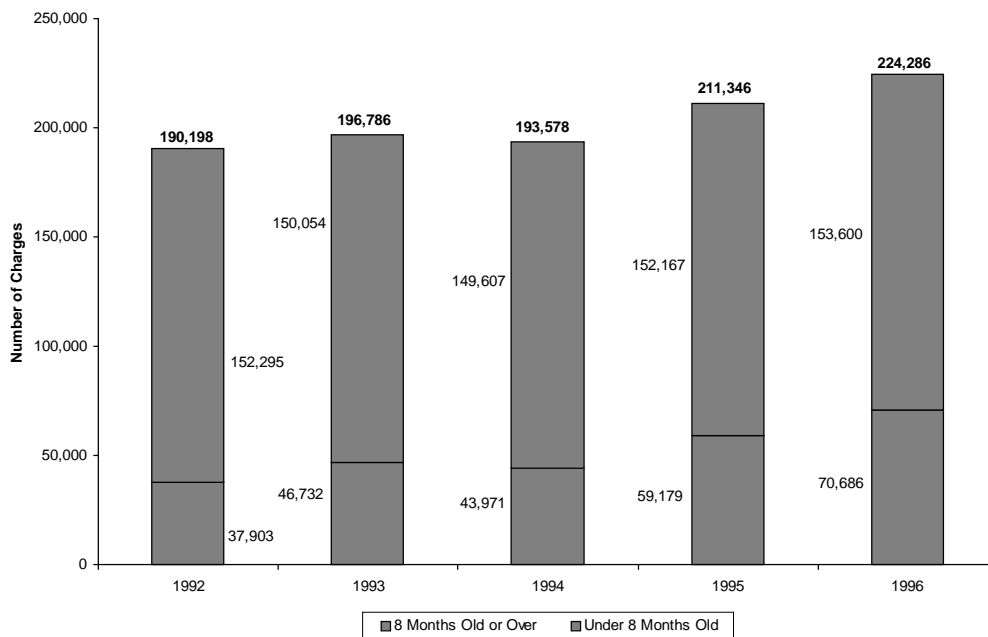
- the Justice Review Project, to make more effective use of the criminal justice system and strengthen justice system partnerships;
- the Martin Committee, to study and advise the Ministry on case management and prosecution policies and procedures; and
- the Ministry's Investment Strategy, to improve the overall efficiency and effectiveness of the justice system.

More recent initiatives include a blitz of courts with significant backlogs through the appointment and reallocation of judges and Crown attorneys. For the longer term, the Ministry's

Business Plan outlined several fundamental changes, including managing resources to focus on serious criminal matters; screening charges to eliminate those that are not necessary or sustainable; and encouraging parties in civil disputes to resolve those disputes earlier, for example, through negotiation, to avoid costly and lengthy court battles.

Despite the initiatives taken to date, the following chart indicates that backlogs have been increasing since 1994 and have the potential to develop into a situation similar to the one which resulted in the Askov Decision.

**Total Criminal Charges Pending in Provincial Division
December 31, 1992 to 1996**



Source: Ministry of the Attorney General data

Even though most factors contributing to delays in cases being heard are beyond the Program’s control, it can exercise considerable control in ensuring courtroom availability and providing adequate information to the Judiciary and Crown attorneys. We noted that, with the exception of a few locations, courtroom availability was not a significant contributor to backlogs.

However, we found that information about the causes and lengths of delays was not collected on a systematic basis. As indicated earlier, the parties involved in a case have divergent interests. For example, actions such as police charging practices and postponements by the Crown and defence attorneys all contribute to delays. To more effectively deal with backlogs, it is important to have information which identifies the parties, the length of time and causes for any delays at each stage of a case. Such information would help to ensure accountability, produce early warning signs of any risk that charges might be stayed and provide the basis for

3.01

more timely action. The information would also be useful for resource planning and for developing strategies to eliminate any recurring or persistent sources of delays.

Recommendation

To more effectively deal with backlogs, the Ministry should work with the Judiciary to:

- **systematically collect and analyze information on the progress of court cases, such as the amount of time taken by each stage of a case and the reasons for any delays; and**
- **develop approaches for making use of that information in monitoring and preventing delays.**

Ministry Response

In November 1996 the Ministry launched a blitz on the backlog in the six most heavily burdened provincial court locations (Barrie, Brampton, Etobicoke, Newmarket, North York and Scarborough).

Results to date indicate that progress is being made and we are moving in the right direction. The blitz is just a first step in addressing systemic problems of long-standing court backlogs. A review of the Criminal Justice system has been established to identify viable, long-term solutions to generate efficiencies and prevent a buildup of cases in the future.

The Ministry will continue to improve the tracking and analysis of information on caseflow so as to better understand causes and trends. This should enable pro-active planning and development of preventive measures to ensure that the problem of backlogs is mitigated.

INFORMATION SYSTEMS

The Program uses two main computerized systems to provide information to the Judiciary and Crown attorneys. The Integrated Court Offences Network (ICON) is an on-line mainframe system which accumulates information by courthouse in the Provincial Division. It maintains case data and produces court docket and monthly statistical reports. In the General Division, monthly statistical reports are produced by the Court Input Statistics System (CISS) through information collected from individual courts using manual or stand-alone computer systems.

CASE INFORMATION

The Provincial Division staff indicated that the ICON system was outdated and did not capture all the necessary information or produce the needed reports.

The General Division's information system had problems with inconsistencies in the classification of data as well as the accuracy and timeliness of information due to a lack of on-line access and the inability to generate reports locally.

3.01

Both ICON and CISS produce statistics and activity-based information by court location and type of charge such as: the number of charges received, pending and disposed; court utilization hours; number of pre-trials held; proceedings commenced; and motions heard. However, that information was only available in its aggregate form. Neither ICON nor CISS could produce information on individual cases. Such information would be useful for managing caseload and for case management. The information is available from the case files of Crown attorneys, but accessing it would require undue manual effort and would, therefore, be very time consuming.

As indicated by our comments on “Backlogs,” maintaining information by case, including the length of time taken at each stage and the reasons for any delays, would allow better management of backlogs.

At the time of our audit, General Division courts and, to a lesser extent, Provincial Division courts, had a number of local computerized database and information systems in addition to ICON and CISS. Although court staff indicated some of these systems were useful, we noted the need for a more coordinated approach to system development and information management.

Additionally, both the Ministry and the Judiciary cited the need for effective, up-to-date technology for use in the courts. In their responses to our survey, they were consistently concerned that the courts remain a paper-driven system clearly in need of automation. Specifically, they identified the need for technological aids such as modern computers, electronic mail, teleconferencing equipment, electronic filing and computer-assisted transcription.

In late 1994 the Ministry of the Attorney General and the Ministry of the Solicitor General and Correctional Services jointly initiated the Integrated Justice Strategy Project to work toward a modern and more effective justice system.

One result of that Project was the formation of the Integrated Justice Technology Project and the issuance of a request for proposals in August 1996. The successful vendor is to work in partnership with the ministries to redefine the business processes for the delivery of justice services and to develop technological solutions. The Ministry of the Attorney General’s desired results for the Courts Administration Program include:

- economical technical support and maintenance for legacy systems such as ICON, CISS and others;
- a fully integrated technological solution for administrative and courtroom responsibilities that allows exchange of data among internal and external users across a wide variety of applications; and
- a comprehensive statistical and information system to provide timely, accurate and meaningful management information.

The estimated period of time for final delivery of the Courts Administration’s requirements is about five years. At the completion of our audit in May 1997, the ministries were in the process of negotiating a contract with the successful vendor.

Recommendation

Given that the Integrated Justice Technology Project is not expected to produce better information for a number of years, the Ministry should work together with the Judiciary in the interim to identify what information is necessary and can be provided to the courts to improve caseflow and case management.

Ministry Response

The Ministry has identified the need to improve caseflow and case management in the justice system. In this regard the Ministry implemented three pilot projects in the civil court and has found that cases moved through the system more quickly and resolution was achieved earlier compared to courts where there was no case management.

The Ministry and the Judiciary have identified case management as a high priority initiative and have informed the Integrated Justice Technology Project team to ensure that the case management system developed provides strategic information to support the justice system.

In the interim, however, the Ministry will work with the Judiciary to develop mechanisms to provide better information and analysis to support decision making. As well, the Integrated Court Offences Network system, a legacy system, is being maintained and strengthened to provide both the Judiciary and the Ministry with management information for decision making.

FINANCIAL INFORMATION

Financial information is needed to properly assess accountability for expenditures and to determine whether there is due regard for economy and efficiency and whether results are achieved at appropriate costs. It is also crucial for resource management, planning and decision making.

The Program had information on actual compared to budgeted expenditures by region and court location. This information provided assurance that expenditures were within budgets.

As discussed in the previous section, the Program had statistical information on activities such as the number of charges initiated, disposed of and pending and the number of trials held. Sufficient information was available to management to assess workloads and levels of services provided. However, such information is not sufficient for assessing whether service levels were appropriate and being provided efficiently in relation to their costs.

For example, information on the number of trials alone would not be sufficient for decision-makers to assess whether appropriate financial resources were being devoted to conducting trials. Costing benchmarks and comparisons of costs, for example, costs per hour of court time by type of trial and by court, would provide management with more meaningful information for assessing the efficiency of operations.

Additionally, the Program did not have sufficient information on the achievement of results or the costs of such achievement. That information is important because it helps the Ministry to

3.01

decide whether programs or activities ought to be continued or if alternatives exist for achieving the same results at lower costs.

For example, one of the Program's desired results is the timely disposition of cases, and one of the primary considerations in achieving that result is the risk of having cases stayed. However, in allocating resources to reduce criminal case backlogs, it is also important to know the extra costs of delays to the Ministry and other parties involved, such as the cost of keeping remanded offenders in jail, so that an appropriate level of resources can be allocated to reducing backlogs.

The Ministry's 1995 *Civil Justice Review* included discussions on the cost of the civil justice system indicating that insufficient data was available on program costs and that little analysis had been done. Without this information, it is difficult to assess whether system costs are reasonable and acceptable and whether the public and litigants are receiving the best value for money spent. The review recommended that the Ministry work with other parties involved in the litigation process to conduct a study on the cost of civil justice. However, we noted that by the end of our audit, no such study had been initiated. Also, the Integrated Justice Technology Project, which recently issued a request for proposal to implement new technology for the justice system, did not include a component for the costing of services and activities.

Recommendations

To improve financial information for resource management, planning and decision making, the Ministry should:

- **establish costing benchmarks and collect information for assessing the economy and efficiency of its services and activities; and**
- **work with participants in the justice system to determine what information is needed to assess the costs of achieving desired results and how it could be collected.**

In addition, the Ministry should include a component for collecting cost information in its system development initiatives.

Ministry Response

The Ministry has plans to develop an information policy which will better articulate our collective information needs for operational delivery and program planning purposes. An executive information system is also being developed which will give senior management a better sense as to trends in the delivery of ministry services.

Benchmarks for measuring performance, in regard to economies and efficiencies, have been identified as part of the change process in most of the business plan project initiatives currently in place (for example, case management).

In addition, the Ministry is developing a framework for calculating the total cost of ownership of our systems-related resources which should help us to assess the expenditures being made in technology initiatives.

MEASURING AND REPORTING ON PROGRAM EFFECTIVENESS

During the 1996/97 fiscal year, the Ministry completed a review of its operations in relation to its goal of becoming a modern, more accessible and more effective justice system, and the results were incorporated into its Business Plan. The Plan identified the Ministry's core business activities, one of which is to provide for courts that are fair, timely and accessible. The identification of those core businesses resulted in a number of new policy initiatives and approaches to delivering existing services. The Ministry's strategies for change can be grouped into three main themes:

- managing resources to focus on serious civil and criminal matters;
- alternative service delivery; and
- better management.

Additionally, the Ministry planned to measure its success in terms of the following performance indicators:

- ability to meet core business needs;
- achievement of intended results;
- secondary impacts;
- costs and productivity;
- financial results;
- customer/stakeholder satisfaction; and
- public confidence in the justice system.

Measurement was to be made on a continuous basis to provide information to manage change and to identify areas requiring further evaluation before changes could be introduced. The Ministry recognized that performance indicators change over time and would probably require adaptation.

The Ministry's initiative to measure performance and program success is an important first step. Nevertheless, we noted that the performance indicators above were only broad attributes and that specific indicators that would be measurable against established benchmarks had not been developed. Also, the Ministry had not assessed which attributes were most relevant to the operations of the Courts Administration Program.

A key activity of the Program is to provide support services to the Judiciary. However, we noted that there was no formal structure in place which would allow for the Judiciary's involvement in the development of performance indicators.

Recommendation

The Ministry, together with the Judiciary, should improve the measures of effectiveness which contribute to a modern, more accessible and more effective justice system by:

3.01

- determining which of the effectiveness attributes are most relevant for its operations; and
- developing program-specific performance indicators and targets against which the achievement of results can be measured.

Ministry Response

The Ministry has developed corporate performance measures, including standards and targets. These measures will be published in the Ministry's 1997/98 Business Plan.

The next step in the process is to develop program-level measures to develop more specific performance indicators and targets against which achievement of results can be measured.

PROGRAM EXPENDITURES

Expenditures for the Last Three Fiscal Years (\$ millions)

	1994/95	1995/96	1996/97
Operating	258	243	235
Capital	*	*	17
Total	258	243	252

* Capital expenditures for the 1994/95 and 1995/96 fiscal years are not available; they are part of Ontario Realty Corporation expenditures.

Source: Ministry of the Attorney General

In recent years, the Ministry has undertaken a number of initiatives with the aim of reducing program expenditures and providing a more efficient court system. These include:

- consolidating its regional management structure and court offices;
- business process re-engineering to eliminate unnecessary steps in program service delivery; and
- civil case management projects to encourage speedier resolution of cases and expansion of alternative dispute resolution to reduce the number of matters requiring court adjudication.

CAPITAL PROJECTS

The Ministry prioritizes courthouse construction and renovation projects on the basis of criteria such as projected courtroom requirements, funding requirements, cost-saving opportunities, workforce impact, and occupational health and safety concerns. After a project is reviewed and approved by the Ministry's senior management, a business case supporting the need for that project is prepared and submitted to Management Board of Cabinet. After approval by

Management Board, the Ontario Realty Corporation manages the project on behalf of the Ministry.

We noted that, prior to the 1996/97 fiscal year, no new courthouses had been constructed in the province in the last decade. In the 1996/97 fiscal year, funding for six courthouse projects, estimated at \$265.7 million over five years, was approved by Management Board. At the conclusion of our field work, one renovation project had been completed, and work had commenced on the construction of two new courthouses.

Based on the results of our audit, we concluded that courtroom construction projects, including renovations, were prioritized based on need, competitively awarded and properly monitored.

COLLECTION OF FINES

The Program is responsible for the collection of fines owed to the province for violations under provincial statutes and the *Criminal Code*. Most of the fines collected are for offences committed under the *Highway Traffic Act*. Fines related to parking offences are usually collected by the municipalities.

The Ministry's procedure for collecting fines is to notify offenders of the amounts owing three weeks after a ticket is issued. If an offender chooses to contest the charge(s) in court and is then convicted, the fine must be paid within 30 days. The Ministry considers fines to be in default 45 days after conviction, at which time a penalty is added and overdue fines are to be transferred to the government's Central Collection Service (CCS). Persons convicted under the *Highway Traffic Act* also have their records referred to the Ministry of Transportation. The Ministry of Transportation sends those individuals letters informing them that it will suspend their driver's licences if payments are not received within three weeks.

In January 1997 the government announced its intention to transfer to municipalities the administration and prosecution functions for less serious crimes, including the collection of fines for ticketable offences under the *Highway Traffic Act*. The province will continue to prosecute more serious offences, which are often more complex and can result in jail sentences.

TIMELINESS OF COLLECTION

Total Fines Outstanding as at March 31, 1997

	\$ Millions	%
Less than one year old	72.2	23
Between one and two years old	43.9	14
Greater than two years old	200.4	63
Total	316.5	100

Source: Ministry of the Attorney General data

We noted that no accounts had been transferred to CCS for collection from February 1995 to February 1997. We were informed that the delay was primarily due to incompatibility between

3.01

the ministry and CCS computer systems and a reduction of staff at CCS, which prevented the transfer of accounts. In this regard, we noted that the Memorandum of Understanding between the Ministry and CCS did not clearly set out their respective roles in monitoring the transfer of accounts and collection of fines.

Additionally, the Ministry had little information available to monitor the success of collection efforts. Monthly status reports on CCS collection activities and results would be useful to the Ministry for assessing the success of collection efforts.

In March 1997 program staff informed us that Management Board had approved the selection of three private collection agencies and that it had begun to transfer to CCS those fines that became overdue prior to March 1996. According to staff, the transfer of fines that became overdue after March 1996 would begin once Management Board Secretariat had completed its selection of additional private collection agencies for CCS to use for the collection of overdue accounts.

On average approximately \$4 million in fines go into default each month. The longer an account is outstanding, the more difficult it is to collect. Accordingly, delays in collection are resulting in significant loss of revenue to the province. We noted that over 75% of the overdue fines are more than one year old.

Recommendation

To help ensure that fines are promptly collected, the Ministry should work with the Central Collection Service to:

- **clearly establish the roles and responsibilities for monitoring the collection of fines in its Memorandum of Understanding with the Central Collection Service; and**
- **improve procedures so that overdue fines can be more promptly transferred.**

Ministry Response

A review of the Memorandum of Understanding which details the roles and responsibilities between the Ministry and the Central Collection Service will be initiated by the Ministry. The Ministry of Finance has initiated a review of corporate accounts receivable policies; this review will include accountability measures and will set a framework which will guide the Ministry in its discussions.

Central Collection Service is currently reviewing its processes to enable electronic transfer of information with client ministries. The Courts Administration Division is participating in these discussions to identify required changes. Among the issues being discussed is how to make better use of technology to manage information pertaining to accounts receivable.

INFORMATION ON OVERDUE ACCOUNTS

The Ministry tracks account information on its computer system by case number only and not by person. This practice could result in separate collection notices being sent to persons with multiple fines. Also, because several collection agencies are involved in the collection of overdue accounts, more than one could attempt to collect fines from the same person.

Recommendation

To improve the collection of fines, the Ministry should modify its system for tracking fines so that fines can be identified both by case number and the identity of the person owing the fine.

Ministry Response

The extent to which we are able to track information will depend on the degree to which the originating officer ensures that as much information as possible is identified on the ticket issued. As part of ongoing discussions with Central Collection Service on overdue fines, we will discuss the most efficient format in which to transfer information so that easier identification of individuals owing fines can be effected.

ENFORCEMENT MEASURES

As of March 31, 1997, overdue fines for offences committed under the *Highway Traffic Act* totalled approximately \$139.9 million. For \$82.6 million of that amount, the Ministry had driver's licence information on the individuals' account numbers. We examined those accounts with driver's licence information and found that:

- 15,800 individuals each had \$1,000 or more in overdue fines, including 116 individuals with more than \$10,000; and
- 16,000 individuals each had unpaid fines for five or more offences.

The driver's licences for the majority of these individuals had already been suspended.

The payment notices from the Ministry warn that, in addition to licence suspension, failure to pay fines can result in other measures, such as the Ministry informing the Credit Bureau of the debt, requiring banks to deduct the money owing from the person's bank account or registering a lien against the person's real property. We noted that none of these measures had been initiated by the Ministry. While we recognize these measures would not be practicable in every case, some could be effective depending on the nature of the cases and the amounts of the fines.

Recommendation

To improve the rate of fine collection, the Ministry should work with the Central Collection Service to assess the merits of implementing measures to more vigorously pursue overdue fines.

Ministry Response

There is an ongoing, active review of policies and practices with respect to overdue fines. This is particularly crucial in light of the proposed devolution to municipalities of administrative and some prosecutorial functions under the Provincial Offences Act.

The Ministry is reviewing its internal processes and regulations on enforcement and will engage other parties in due course to address other measures to vigorously pursue overdue fines and increase collection rates.

3.01
