

MINISTRY OF ATTORNEY GENERAL

COURT SERVICES BRANCH

NORTH SHORE BYLAW NOTICE ADJUDICATION REGISTRY

EVALUATION REPORT

March 21, 2005

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY
2. BACKGROUND
3. NORTH SHORE BYLAW DISPUTE REGISTRY - PILOT PROJECT DESIGN
4. ESTIMATED COSTS - START-UP AND ONGOING
5. SUMMARY OF OBJECTIVES
6. EVALUATION OF OBJECTIVES
7. CONCLUSIONS

APPENDICES

- A. NORTH SHORE BYLAW DISPUTE REGISTRY DATA NOTES & STATISTICS (JULY- DECEMBER, 2004)
- B. NORTH SHORE BYLAW DISPUTE REGISTRY - INFORMAL SURVEY OF BYLAW SCREENING OFFICERS
- C. LOCAL GOVERNMENT BYLAW NOTICE ENFORCEMENT SYSTEM - FLOWCHART
- D. CITY OF NORTH VANCOUVER BYLAW 7600 AND NORTH SHORE BYLAW DISPUTE ADJUDICATION REGISTRY AGREEMENT
- E. UNION OF BC MUNICIPALITIES' BYLAW ENFORCEMENT RESOLUTIONS (1994 -2002)

1. EXECUTIVE SUMMARY

The *Local Government Bylaw Notice Enforcement Act*, adopted in October, 2003, created a framework for a non-judicial system for local governments to deal with bylaw ticket disputes. The goal of the legislation was to create a simple, fair, and cost-effective system for dealing with minor bylaw infractions. The proposed system was to meet this goal through:

- creating a dispute forum dedicated to resolving local bylaw matters,
- reducing the cost and complexity of decision making in that forum,
- avoiding unnecessary attendance of witnesses and involvement of legal counsel,
- reducing the length of time required to resolve bylaw ticket disputes, and
- eliminating the personal service of documents to enforce bylaws.

The framework established in the legislation requires the local government to cover the costs of dispute administration and the cost of the adjudicators. In exchange, the local government would benefit from cost savings from reduced requirements for service of documents and court attendance by bylaw enforcement officers; recovery of administration costs through a dispute administration fee (refundable if the disputant is successful in having their ticket dismissed); and greater control over the scheduling of adjudications and fine collection.

This report examines the experience of the first communities in BC to implement a Bylaw Notice Enforcement system. The City of North Vancouver, District of North Vancouver, and District of West Vancouver all participated in the North Shore Bylaw Dispute Registry pilot project. This report presents an overview of the design choices made, an estimate of the average start-up and ongoing costs to implement this system based on the pilot; and an assessment of the success of the pilot project. Most of the evaluation measures are based on data and information provided by the City of North Vancouver.

- The initial start-up costs and the ongoing costs for a local government bylaw notice enforcement system will be affected by the design choices made. As well, costs will depend on variables such as bylaw offence volumes, current information technology and automation and methods for collecting payments. The average start-up cost for each municipality that participated in the North Shore pilot was \$25,448; excluding Registry start-up costs. Start-up costs related directly to the establishment of the North Shore Bylaw Dispute Registry were \$19,200. Total cost for the North Shore Pilot (all three municipalities) was \$95,562.

There were five major objectives measured in the evaluation of the North Shore pilot project.

➤ **1. Reduce the length of time to ticket disposition**

A common complaint from municipalities and citizens against the use of the Provincial Court to resolve bylaw enforcement disputes is the length of time that it takes to have a ticket heard. Based on the experience in the North Shore pilot, the length of time to disposition was significantly improved.

➤ **2. Improve the fine payment rate**

Municipalities have expressed frustrations with the difficulty in collecting fines for bylaw infractions. During the pilot, while the average fine value remained constant, the City saw an improvement in overall fines paid and a significant improvement in the timeliness of payments for tickets referred to a collection agency. The City of North Vancouver saved approximately \$5,000 in collection agency commissions due to the speed with which the new legislation permits tickets to be referred to a collection agency.

➤ **3. Reduce the ticket dispute rate**

Local governments have indicated that bylaw dispute rates are driven up by the perception that the courts will be lenient on bylaw infractions. A reduction in the dispute rate is a benefit for a municipality since it doesn't have to expend as many resources to enforce minor bylaws like parking. The previous dispute rate (3.2%) was reduced by 94% in 2004 (0.2%), and this is directly attributable to the North Shore Bylaw Dispute Registry pilot project. The reduction in the dispute rate from 2003 to 2004 led to a significant reduction in the number of court appearances in 2004. This in turn created cost savings of \$5,000 due to the large reduction in the hours that Bylaw Officers were required to attend court. Total savings due to this reduction in court appearances could be as much as \$10,000 per year if travel time and time spent waiting at court were also factored in.

➤ **4. Improve the Responsiveness to Citizen's Needs**

Generally, citizen complaints about bylaw enforcement have focused on the timeliness of having their ticket dealt with, the previous limitations on municipal authority to legally review and cancel a ticket, and the requirement to attend court to have the matter dealt with. The feedback received to date by the screening officers indicates that the disputants are generally satisfied with the speed and the fairness of the process. The Attorney General has received many letters of support, inquiry and thanks, and not one complaint letter. North Shore municipal counsellors have not received any complaints about the bylaw adjudication process (as at March 21, 2005).

➤ **5. Reduce the costs associated with personal service of documents**

The Union of BC Municipalities' first asked the Attorney General to waive the requirement for personal service of a summons for unpaid traffic related bylaw violation tickets in the late 1990's; because the summons process was costly and ineffective. The North Shore municipalities are not using the Municipal Ticket Information (MTI) process so this objective is not applicable to them. This would be a desirable objective for those municipalities that use MTIs, like Vancouver. The decrease in disputes and consequent reduction in Provincial Court bylaw hearings suggests there could be a 50% reduction in the number of summons requiring personal service, with the new system.

2. BACKGROUND

The *Local Government Bylaw Notice Enforcement Act*, adopted in October, 2003, created a framework for a non-judicial system for local governments to deal with bylaw ticket disputes.

As outlined in the Discussion Paper issued by the Ministry of Attorney General in June, 2002, the goal of the legislation was to create a simple, fair, and cost-effective system for dealing with minor bylaw infractions. The proposed model was to meet this goal through:

- creation of an enforcement dispute forum dedicated to resolving local bylaw matters,
- reduction of the cost and complexity of decision making in that forum,
- avoidance of unnecessary attendance of witnesses and involvement of legal counsel,
- reduction of the length of time required to resolve bylaw ticket disputes, and
- elimination of the requirement for personal service.

The framework established in the legislation requires the local government to cover the costs of the dispute administration, as well as the cost of the adjudicators, in exchange for the possibility of savings from reduced requirements for service of documents and court attendance by bylaw enforcement officers, and greater control over the scheduling and outcome of upheld tickets.

Notices under this system may be mailed or left on a car for a parking infraction, and both the bylaw enforcement officer and disputant may attend a dispute hearing in person, in writing, by telephone or even by video conference. Adjudicators under the system are chosen on a rotational basis from a list established by the Deputy Attorney General, and are tasked with determining whether a contravention occurred as alleged.

This report examines the experience of the first communities to implement the Bylaw Notice Enforcement system, the City of North Vancouver (CNV), District of North Vancouver (DNV), and District of West Vancouver (DWV), in the North Shore pilot project. This report presents an overview of the design choices made, an estimate of the average start-up and ongoing costs to implement this system based on the pilot and an assessment of the success of the pilot project.

The three municipalities located on the North Shore of Burrard Inlet in the Lower Mainland volunteered to undertake a pilot of the new system in the summer of 2003, electing to establish a joint registry and adjudication system. The design phase began in the fall of 2003 and the new system went “live” on May 3, 2004, when the Local Government Bylaw Notice Enforcement Regulation brought the *Act* into force in these municipalities.

The three North Shore municipalities worked with an implementation steering committee to design the implementation; the steering committee was led by the Court Services Branch, and included representatives from Ministry of Community, Aboriginals and Women Services (CAWS), the Union of British Columbia Municipalities (UBCM), the Local Government Management Association (LGMA), and the administration and bylaw enforcement divisions of each of the participating municipalities.

3. NORTH SHORE BYLAW DISPUTE REGISTRY - PILOT DESIGN

The Local Government Bylaw Notice Enforcement Regulation, which brought the *Act* into force in the North Shore municipalities on May 3, 2004, was developed concurrently with the design of the North Shore pilot project. The pilot project did not operationalize all provisions of the *Act* or Regulation, it focused on the core aspects of the new system.

Eligible Matters

Although the *Act* and Regulation permit the use of the new system for a wide range of matters, the municipalities agreed to restrict the use of the new system to matters under their Street and Traffic Bylaws during the pilot phase of the implementation. It was the expectation of the Province that the majority of bylaw notice tickets issues would be in relation to parking matters, although these bylaws also regulate matters such as use of sidewalks, advertisement of goods on public highways and overweight vehicles.

Bylaw Notice Issuance

Each municipality authorized the issuance of bylaw notice tickets through the adoption of a comprehensive bylaw notice enforcement utilization bylaw that identified designated bylaw contraventions under other, existing bylaws and associated penalties. This format allows the municipalities discretion to enforce a contravention under the bylaw notice system or the Municipal Ticket Information (MTI) system, depending on the severity of the contravention and the history of the alleged contravener.

Fine Amounts

Prior to January 1, 2004, the maximum penalty on a municipal ticket under the MTI system was subject to the approval of the Chief Judge of the Provincial Court. Although the maximum permitted fine was \$500, the Chief Judge had never approved a fine over \$300. Since January 2004, the maximum MTI penalty has been raised to \$1,000 and the approval of the maximum penalty by the Chief Judge is no longer required.

While the City and District of North Vancouver elected to roughly translate the pre-2004 MTI scale of fines to the bylaw notice enforcement system, the District of West Vancouver elected to increase the penalty for operating a heavy vehicle on prohibited highway to the maximum allowable \$500.

Screening

Under the *Act*, the position of Screening Officer, which must be designated in the establishing bylaw, is presented as an optional component of the system. In the early stages of the design phase, the North Shore municipalities determined that the position was critical to ensuring citizen satisfaction with respect to due process and efficient use of the adjudicator's time. Each municipality developed its own criteria for Screening Officer cancellation of bylaw notice tickets, which was adopted by the Councils concurrently with the utilization bylaws.

As the *Act* prohibits a bylaw enforcement officer from screening his or her own ticket, all three municipalities appointed a combination of senior bylaw enforcement officers and general municipal staff as Screening Officers, ensuring that an eligible Screening Officer could be available at all times. None of the North Shore municipalities elected to create a dedicated position, due to anticipated dispute volumes.

Compliance Agreements

If a municipality designates Screening Officers, the legislation permits the use of Compliance Agreements to leverage long term changes in behaviour or specified actions that may not be possible immediately. Given the nature of the matters enforceable by bylaw notice during the pilot (e.g. parking), compliance agreements were not authorized.

North Shore Bylaw Dispute Registry Agreement

The *Act* also permits a local government to undertake any aspect of the system jointly with other local governments, arranging cost and administration sharing by agreement. The three municipalities elected to create the North Shore Bylaw Dispute Registry, which is hosted by the City of North Vancouver and provides scheduling of disputes, adjudicator attendance requests, general administration and processing of payments on the days that adjudications are held, for all three municipalities. Under the terms of the agreement, each municipality pays a per-adjudication fee to the registry and all three split equally any remaining expenses or overpayments at the end of each year.

Adjudicators

The Province has appointed five adjudicators for the pilot project from Apex Dispute Resolution, a partnership of individuals qualified to act as Residential Tenancy Arbitrators. Between July, 2004 and February, 2005 there have been five half-days and one full day of hearings. The adjudications are conducted in the CNV Council Chamber, which is reconfigured and identified as the Bylaw Dispute Adjudication Room on hearing days.

Fine Collection Methods

Each municipality maintains its own fine payment records and with two exceptions, fine payments may only be made at the issuing municipality. On the day of the adjudication, CNV will accept payment on the tickets issued by the other municipalities that were adjudicated and upheld. All three municipalities will continue to use collection agencies to pursue overdue fine amounts, rather than proceed by way of a certificate filing and payment hearing in Small Claims Court. Fine payments on referred tickets can be made directly to the collection agencies.

4. ESTIMATED COSTS – START-UP AND ONGOING

The initial start-up costs and the ongoing costs for a local government bylaw notice enforcement system will be affected by the design choices made. As well, costs will depend on variables such as the local government's bylaw offence volumes, their current information technology infrastructure, the degree to which their bylaw ticketing and enforcement process is automated, and their methods for collecting payments. The design work for the North Shore pilot commenced in October, 2003 and was mostly completed by April, 2004. The majority of the legal work was completed between December, 2003 and January, 2004; work related to information technology was started in December, 2003 and finished by April, 2004; and much of the communications work took place in March, 2004.

The legal fees incurred by the municipalities included the preparation of a sample Bylaw Notice Enforcement Utilization Bylaw, a sample agreement for joint provision of a system of adjudication, and a sample screening policy. The legal costs will be less for subsequent implementations if the sample documents are used.

The bylaw ticketing and enforcement information technology vendors used by the City (Parksmart) and the two Districts (Tempest) provided the new modules below the development costs in order to position themselves for the expansion of the system to other local governments in BC.

- **Table 4.1** reports the actual start-up costs for the City of North Vancouver (CNV), District of North Vancouver (DNV) and District of West Vancouver (DWV), and separately the start-up costs for the North Shore Bylaw Dispute Registry. These costs were incurred between November 2003 and July 2004. The table also provides the average cost to an individual municipality and the total cost of the pilot project based on the individual and shared costs of the three municipalities.

TABLE 4.1: Start-up Costs for a Local Government Bylaw Notice Enforcement System

(Based on the North Shore Bylaw Dispute Registry Pilot Project Experience; October, 2003 - July, 2004)

(A) Individual Start-up Costs

	CNV	DNV	DWV	Average	TOTAL
Legal Fees	\$8,803	\$14,773	\$8,803	\$10,793	\$32,379
Information Technology – ticket tracking	\$16,438	\$4,730	\$9,618	\$10,262	\$30,786
Communications	\$2,500	\$2,500	-	\$2,500	\$5,000
Management & Administration (12%)	\$3,329	\$2,640	\$2,211	\$2,727	\$8,180
Total	\$31,070	\$24,643	\$20,632	\$25,448	\$76,345

(B) Registry Start-up Costs

	TOTAL
Information Technology – registry software and facilities <i>(includes \$8,062 for software, \$3,000 for laptop computer for adjudicator & \$500 for telephone equipment)</i>	\$11,563
Information Technology – system implementation & training <i>(includes Screening Officer & Systems Analyst salary & benefits)</i>	\$6,719
Adjudicator Training – ½ day orientation	\$936
Total Registry Start-up Costs	\$19,217

Total Cost of North Shore Pilot Project \$ 95,562

Source: North Shore Bylaw Dispute Registry data, August, 2004

- The estimated annual costs shown in [Table 4.2](#) (below) are based on the actual costs incurred by the three North Shore local governments from May 1, 2004 to December 31, 2004. There were 26,217 tickets issued in that eight month period (see [Appendix A](#)). The costs shown in [Table 4.2](#) will over-estimate the long term ongoing costs because they are based on the costs related directly to the pilot project and cost savings will occur as the business processes are improved.

However, it should be noted that the City of North Vancouver has forecast an increase in the dispute rate as citizens become more familiar with the new system. [Table 4.2](#) (below) estimates annual costs based on 60 adjudications per year; but the City's 2005 budget forecasts 120 adjudications per year. Annual costs would be \$28,199 with that many adjudications. The unit cost or average cost per adjudication at 60 adjudications per year is \$337; this is reduced to \$235 per adjudication at 120 adjudications per year (assuming ticket screening levels remain constant at 1.8 % of issued tickets)

TABLE 4.2: Estimated Ongoing Costs for a Bylaw Notice Enforcement System (annual)
(Estimate based on 30,000 Bylaw Tickets or Notices Issued per year)

Item	Cost	Notes
Pre-Hearing: Ticket Screening	\$13,770	North Shore Screening Officers estimate 45 minutes per ticket screened. Annual number of tickets formally screened based on statistics from May 3 – Dec. 31, 2004: where 26,217 tickets were issued and 459 formally screened, so screening rate = 1.8%. Average hourly cost is \$34 (salary & benefits)
Pre-Hearing: Dispute Scheduling	\$679	City of North Vancouver estimates 20 minutes per adjudication scheduled. The estimated annual number of adjudications is based on statistics from May 3 – Dec. 31, 2004; where 41 were conducted over eight months, so 60 in twelve months. Average hourly cost is \$34 (including salary & benefits)
Adjudicator	\$1,498	\$374.50 per hearing day, 60 adjudications per year @ 16 adjudications per hearing day = 4 hearing days per year
Administrative Costs (Adjudicators)	\$1,165	\$291.31 per hearing day. City of North Vancouver not certain if these costs will continue indefinitely
Administrative Costs (City of North Vancouver)	\$400	\$100 per hearing day for record keeping, cheque issuance
Security Officer	\$256	\$16 per hour, 4 hours / hearing day, 4 hearing days / year
Council Chamber Cost	\$1,600	\$400 per hearing day
Annual Estimated Costs	\$19,369	

Source: North Shore Bylaw Dispute Registry, August 2004 – February 2005

- **Table 4.3** (below) shows the individual municipality's costs; and that the total cost to operate the North Shore Bylaw Dispute Registry from May through December, 2004, was \$15,420. The City of North Vancouver paid less than the other municipalities despite issuing 73% of the tickets during the evaluated period, due to a lower dispute rate.

TABLE 4.3: Allocation of Costs by Municipality

Municipality	Tickets Issued	Tickets Adjudicated	Case Fee	Annual Fee	Shared Overruns	Annual Costs
North Vancouver (City)	19,157	11	\$825	\$3,360	\$755	\$4,940
North Vancouver (District)	3,032	15	\$1,125	\$3,360	\$755	\$5,240
West Vancouver	4,028	15	\$1,125	\$3,360	\$755	\$5,240
Total	26,217	41	\$2,700	\$10,080	\$4,265	\$15,420

5. SUMMARY OF OBJECTIVES

LOCAL GOVERNMENT BYLAW NOTICE ENFORCEMENT SYSTEM

Local governments have long expressed concerns over the costs associated with pursuing a bylaw contravention in Provincial Court, including: costs associated with use of lawyers or specially trained enforcement officers to prosecute even straightforward tickets, personal service of tickets, and lost productivity while enforcement officers wait to attend the Court. To resolve these concerns, local governments have proposed a variety of methods to reduce these costs and the process associated with prosecuting bylaw contraventions. See *Appendix E* for Union of BC Municipalities' Resolutions on bylaw enforcement and the administration of justice. The Provincial government has also been concerned with the cost and accessibility of using the formal processes and authorities of the Courts to administer justice for minor matters. Through the Community Charter, the Province has sought to give local government more freedom to respond to the needs of their citizens, and this should extend to responsiveness in resolution of bylaw contravention disputes.

Both Provincial and local governments will benefit from a cost-effective model to resolve minor bylaw contravention disputes, such as parking matters, and the *Local Government Bylaw Notice Enforcement Act* was designed to achieve these benefits. Accordingly, the focus of the evaluation of the pilot project is on its success in addressing the following objectives:

- 6.1. REDUCE THE LENGTH OF TIME TO TICKET DISPOSITION**
- 6.2. IMPROVE THE FINE PAYMENT RATE**
- 6.3. REDUCE THE TICKET DISPUTE RATE**
- 6.4. IMPROVE RESPONSIVENESS TO CITIZEN NEEDS**
- 6.5. REDUCE THE COSTS ASSOCIATED WITH PERSONAL SERVICE OF DOCUMENTS**

6. EVALUATION OF OBJECTIVES

6.1. Reduce the length of time to ticket disposition

A common complaint from municipalities and citizens against the use of the Provincial Court to resolve bylaw enforcement disputes is the length of time that it takes to have a ticket heard. Based on the experience in the North Shore pilot, the length of time to disposition was significantly improved.

There are three measures comparing 2003 with 2004 that speak to this objective:

- the average age of tickets from issued date to concluded date;
 - the change in the proportion of tickets (volumes and dollar amounts) concluded by January 20; and
 - the change in the timeliness or speed with which tickets are referred to a collection agency.
- The average age from issued date to concluded date, whether the ticket was paid or cancelled, dropped from 101 days in 2003 to 91 days in 2004. The "oldest" concluded tickets in each year were 236 days in 2003 and 240 days in 2004, although in both years some tickets were concluded on the date of issue. The ten percent reduction in the average age represents a significant improvement in this area.
- There is additional evidence that the new Bylaw Notice Enforcement system reduces the time for a bylaw offence to be concluded. [Table 6.1.1](#) reports the number of tickets concluded by January 20, 2005 that were issued between May 1 and December 31 in each year. The number of unconcluded tickets fell from 21% in 2003 to 20% in 2004.

TABLE 6.1.1: City of North Vancouver: Bylaw Tickets Not Concluded as at January 20th

Ticket Volumes	2003	Percent of Issued	2004	Percent of Issued
Total Issued	20,195	100%	19,157	100%
Total Not Concluded	4,265	21%	3,850	20%

Source: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005)

NOTE: Data is preliminary and subject to revision.

As seen in [Table 6.1.2](#) below, 64% of the fine and fee amounts associated with the 2003 tickets from [Table 6.1.1](#) were concluded by January 20; this rose to 66% in 2004.

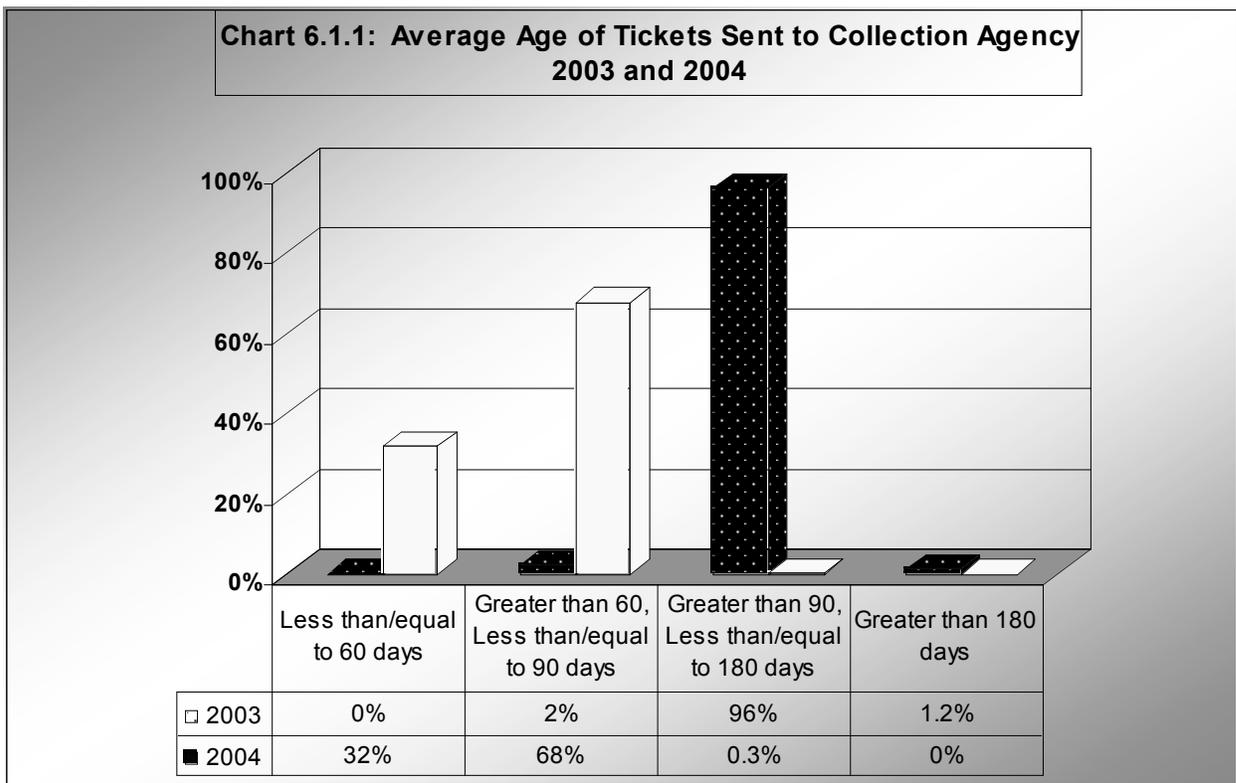
TABLE 6.1.2: City of North Vancouver: Fine & Fee Amounts Concluded as at January 20th

	2003	Percent of Issued	2004	Percent of Issued
Total Concluded Amount	\$389,660	64%	\$384,445	66%

Source: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005)

- **Chart 6.1.1** (below) illustrates the marked decrease in the age of tickets referred to the collection agency from 2003 to 2004. The average age has decreased from 122 days in 2003 to 62 days in 2004. The oldest ticket referred in 2003 was 236, compared to 116 days in 2004. There were only four tickets in 2003 that were referred to the collection agency within 90 days of being issued, representing just two percent of total tickets referred. In 2004, there were 3,535 tickets referred to the collection agency within 90 days, representing 99.7% of total tickets referred.

The average age of concluded tickets is directly affected by the average length of time it takes for overdue tickets to be referred to the collection agency. When collection action is started earlier, there is a much greater likelihood that the debt will be paid or written off sooner.



- All three measures of the change in the length of time to disposition indicate significant improvement from 2003 to 2004. This improvement is directly attributable to the pilot project.

6.2. Improve the fine payment rate

Municipalities have expressed frustrations with the difficulty in collecting fines for bylaw infractions. During the pilot, while the average fine value remained constant, the City saw an improvement in overall fines paid and a significant improvement in the timeliness of payments for tickets referred to a collection agency.

There are two dimensions to this objective: the overall proportion of bylaw fines that are paid, and the timeliness with which bylaw fines are paid. Measurement of this objective involved a comparison between 2003 and 2004 of:

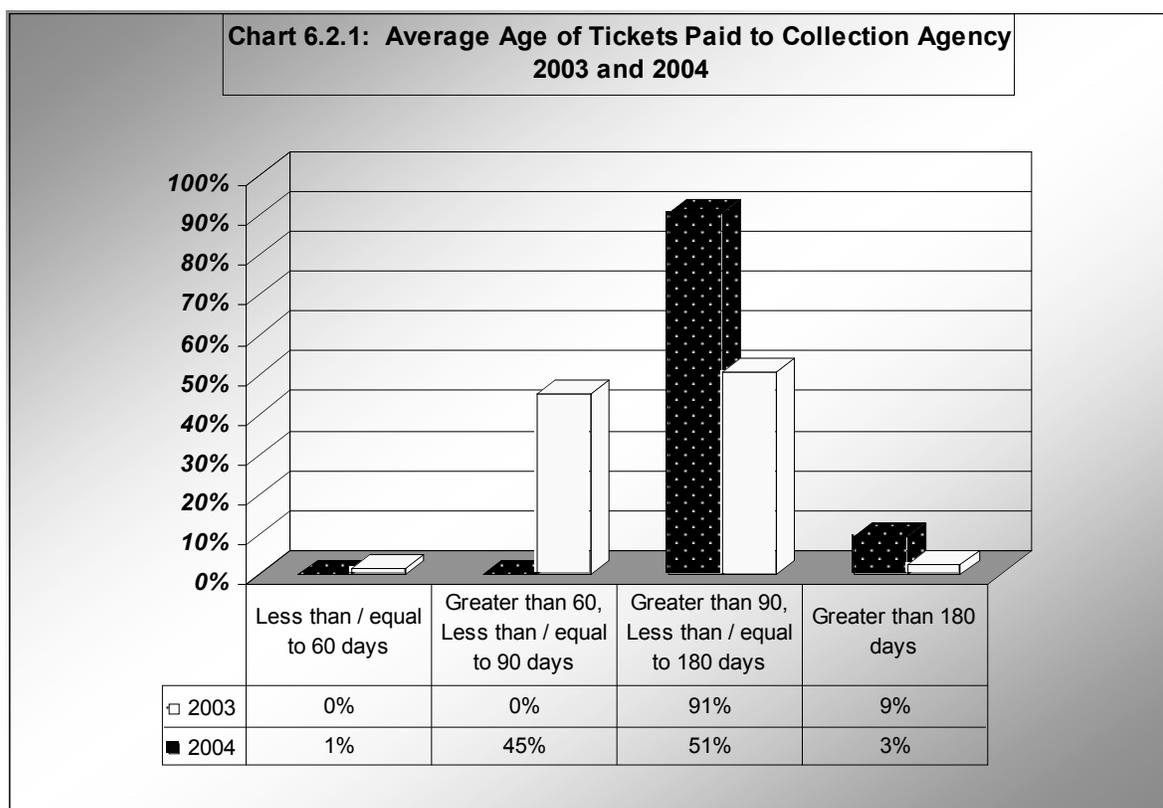
- the change in the value of fines paid by January 20th each year;
 - the change in the percentage of total fines and fees levied that were paid by January 20th; and
 - the change in the timeliness or speed with which fines are paid.
- Out of the 41 adjudications held so far, 36 (88%) were upheld and 13 (32%) of the upheld tickets were paid immediately (see *Appendix A*). This is an improvement from the municipalities' perspective for several reasons. The 88% 'conviction' rate indicates the dispute screening process is very effective and the screening officers' decisions are being upheld by the adjudicators. As well, the municipalities received thirty-two percent of the outstanding fine amounts several months earlier than if the dispute had proceeded to the Provincial Court, received a judgement in favour of the municipality and then was paid. The municipality also recovered some of its administrative costs related to those thirteen disputed tickets because the \$25 Bylaw Registry administration fee was paid right away.
- [Table 6.2.2](#) (below) shows two improvements in the fine payment rate from 2003 to 2004. First, the total dollar amount of fines and fees paid by January 20 increased by \$10,025, even though the total dollar amount of fines and fees issued had decreased by \$26,980. This change was not caused by a large increase in the average fine and late fee amount per ticket issued between 2003 and 2004; as this went up by only \$0.22. Second, the percent of total fines and fees paid by January 20 increased from 54% in 2003 to 58% in 2004.
- The City received an additional \$10,000 in bylaw fine revenue by January 20, 2004 and this represented a 4% improvement in the timeliness or speed with which fines were paid compared to 2003. Another dimension of timeliness is the speed with which tickets referred to the collection agency are paid.

TABLE 6.2.2: City of North Vancouver Bylaw Tickets: Amounts Paid as at January 20th

	2003	2004	Difference 2004 – 2003
Average Amount of Fine & Late Fee per Ticket Issued	\$29.99	30.21	\$0.22
Total Fines & Fees Issued	\$605,680.00	\$578,700.00	- \$26,980.00
Total Fines & Fees Paid	\$327,285.00	\$337,310.00	\$10,025.00
<i>Paid as a Percent of Total Fines & Fees Issued:</i>	54%	58%	4%

Source: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005)

- In **Chart 6.2.1** (below), we see that the reduction in the length of time it took to refer tickets to the collection agency (see **Chart 6.1.1** above), contributed to a reduction in the length of time it took for the referred tickets to be paid. In 2003, none of the tickets referred to the collection agency were paid within ninety days and in 2004, 290 tickets or 46% were paid within 90 days. There was a forty-seven day or 32% reduction in the average age tickets were paid at the collection agency; from 149 days in 2003 to 120 days in 2004. This improvement in the timeliness with which bylaw fines are paid is a significant benefit to a local government.



Source: Appendix 1, Table 1.3

- **Table 6.2.3** (below) shows there was an 81% increase in the collection agency's success rate from 2003 to 2004, as measured by the dollar amounts collected each year by January 20th.

In 2004, there were 6% fewer tickets and fine amounts referred to the collection agency by January 20th than the year before. Nevertheless, the proportions of referred tickets and referred dollar amounts were very similar in both years, as reported in **Table 6.2.3** below. The collection agency's success rate, as measured by the percent of referred tickets paid, increased dramatically between 2003 (3%) and 2004 (17%). This improvement clearly demonstrates that the new bylaw adjudication process increases bylaw fine revenues and improves the timeliness of fine payments. The younger age of the 2004 referred tickets has definitely improved the collection agency's success rate and the overall fine payment rate.

TABLE 6.2.3: Collection Agency Success Rate, Amounts Paid as at January 20th

	2003	2004	Percent Change
Tickets Referred to Collection Agency	3,767	3,544	- 6%
<i>Percent of Total Issued</i>	19%	18%	
Amount Referred to Collection Agency	\$191,465	\$179,950	- 6%
<i>Percent of Total Fines & Penalties</i>	32%	31%	
Tickets Referred and Paid (Note 1)	117	621	81%
<i>Percent of Tickets Referred</i>	3%	18%	
Amount Referred and Paid (Note 1)	\$6,005	\$30,775	80%
<i>Percent of Amount Referred</i>	3%	17%	

Source: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005)

NOTES:

(1) 2003 Tickets Paid excludes tickets concluded after January 20, 2004; in order to make the time period consistent with 2004

- Prior to participating in the Bylaw Notice Enforcement pilot project, the City of North Vancouver referred its overdue bylaw fines to a collection agency and the agency charged 34% of the amount they collected. When they were informed by the city that the overdue fines would be forwarded within 60 days, instead of the four to five months that was typical when disputed bylaws were dealt with by the Provincial Court; the collection agency voluntarily reduced their share to 18%.

- **Table 6.2.4** (below) illustrates the impact this rate change had in 2004; and will have in future years. The collection agency was able to reduce their percent share and still maintain profitability because newer debts are easier to collect on than older debts.

TABLE 6.2.4: City of North Vancouver - Additional Revenue Due to Younger Age of Tickets Referred to Collection Agency

	2003	2004		2004
Paid at Collection Agency	\$ 45	\$ 16,790	City's Revenue @ 34%	\$ 20,312
Paid at City (Note 1)	\$ 15,810	\$ 13,985	City's Revenue @ 18%	\$ 25,236
Total Collection Agency (Note 2)	\$ 15,855	\$ 30,775	Difference (Additional revenue to the City)	\$ 4,924

Source: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005)

Notes:

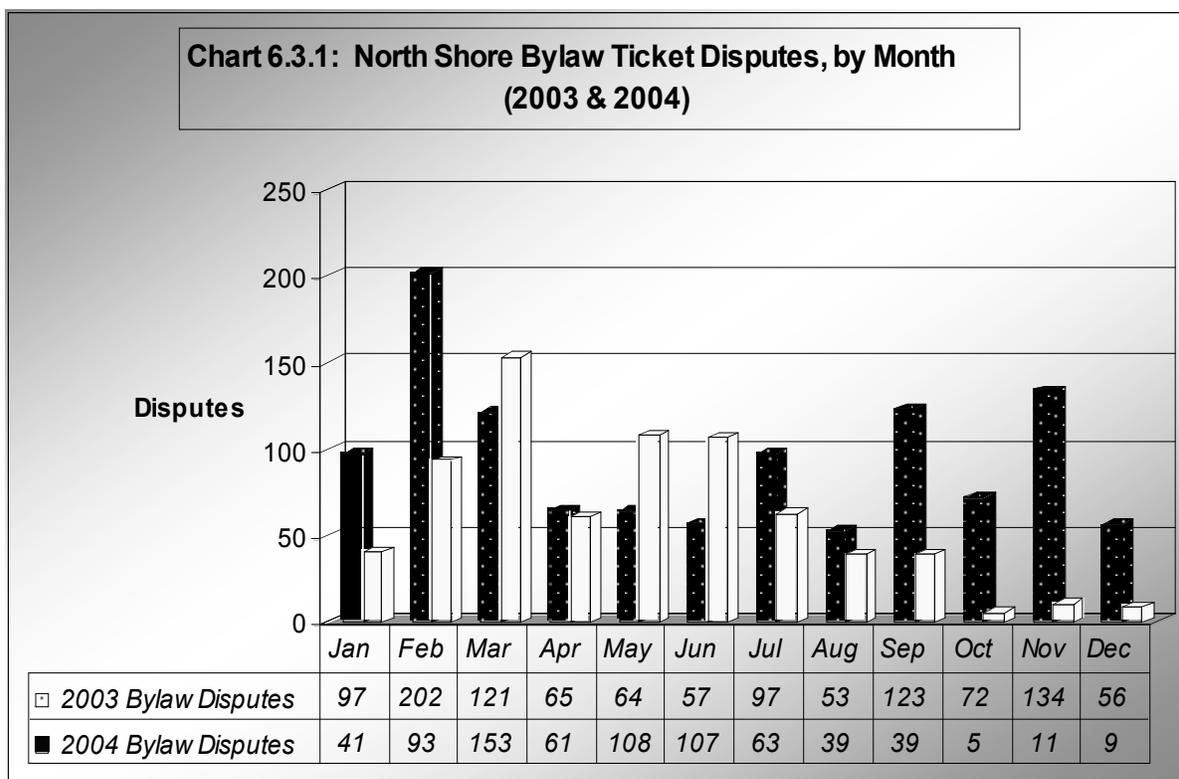
- (1) The collection agency receives their share of referred fines even if the fine is paid at city hall.
 - (2) The Total Collection Agency amount paid in 2003 differs from the amount reported for 2003 in Table 6.2.3 because the period of time is different. Table 6.2.3 excluded any fine payments made after January 20th; this table includes them.
- Every measure of the change in the bylaw fine payment rate indicates significant improvement, from 2003 to 2004. This improvement is directly attributable to the pilot project.

6.3. Reduce the ticket dispute rate

This is an important objective for several reasons, including: reducing the high cost to local governments of enforcing minor bylaw offences through the courts; and reducing trial delay in the Provincial Court. As well, local governments have indicated that bylaw dispute rates are driven up by the perception that the courts will be lenient on bylaw infractions.

- The historic dispute rate for municipal bylaw offences on the North Shore was 3% (based on an average of 30,000 tickets issued by the three municipalities and 1,000 new Provincial Court bylaw cases, per year).

The North Shore Bylaw Dispute Registry's dispute rate was determined by dividing the number of bylaw adjudications by the total number of tickets issued. As well, the Bylaw dispute rate in 2004 must take into account the number of new Provincial Court Bylaw cases in that same period. In [Chart 6.3.1](#), we see the dramatic reduction in North Shore bylaw disputes in the last five months of 2004, compared to the same period in 2003.



Sources: City of North Vancouver Bylaw Tracking System data, January, 2005 (period from May 1, 2003 to January 20, 2005) and Court Services Branch, CORIN Database, New Provincial Court, Municipal Bylaw Cases, North Vancouver Provincial Court.

NOTE:

May to December, 2004 includes both Provincial Court and Bylaw Registry disputed tickets

- The effect of this reduction in the number of disputes on the North Shore bylaw dispute rate is shown in [Table 6.3.1](#) below. The dispute rate for municipal bylaw offences on the North Shore during the pilot project was 0.2%, which is a significant reduction from the 3.2% in the same period in 2003, prior to the new Bylaw Dispute Registry. This translates into significant savings for a local government in terms of court preparation work and staff attendance at court or at bylaw registry adjudications.

TABLE 6.3.1: North Shore Bylaw Dispute Rate (2003 & 2004)

<u>Bylaw Disputes</u>		
Month	2003 Court Only	2004 Bylaw Registry
May	64	0
June	57	0
July	97	8
August	53	0
September	123	14
October	72	0
November	134	10
December	56	9
Total: (May 1 – Dec. 31)	656	41
Tickets Issued (May 1 – Dec. 31)	20,195	26,217
Tickets Disputed (May 1 – Dec. 31)	656	41
Dispute Rate	3.2%	0.2%

**NORTH SHORE
BYLAW DISPUTE
ADJUDICATION
PILOT PROJECT**

- The reduction in the dispute rate from 2003 to 2004 led to a significant reduction in the number of court appearances in 2004, as seen in [Table 6.3.2](#) (below). This in turn created cost savings of \$5,000 due to the large reduction in the hours that Bylaw Officers were required to attend court. The new bylaw adjudication process was only in operation for eight months in 2004; so annual savings would be approximately \$7,500. Total savings due to this reduction in court appearances could be as much as \$15,000 per year if travel time and time spent waiting at court for their case to be called were also factored in.

**Table 6.3.2: North Vancouver Provincial Court - Bylaw Related Appearances
(May 1 - December 31)**

Appearance Type	2003		2004		Difference in Officer Hours & Cost 2003 – 2004
	# of Appearances	Bylaw Officer Hours (Note 1)	# of Appearances	Bylaw Officer Hours (Note 1)	
Non-Hearing (Note 2)	918	77	49	4	72
Hearings (Note 3)	827	138	386	64	74
Total	1,745	214	435	68	146
Estimated Staff Cost (Note 4)	\$7,287		\$2,326		\$4,961

Source: Court Services Branch, CORIN Database, Municipal Bylaw Appearances, North Vancouver Provincial Court.

Notes:

- (1) Bylaw officer time is estimated at 5 minutes for non-hearing appearances and 10 minutes for trials and hearings.
- (2) Non-Hearings includes arraignment hearing (AHR), first appearances (FA), intention to enter a guilty plea (IGP), pre-trial conference (PTC), and swearing information (SWN).
- (3) Hearings includes trial (FT), hearing (HR), disposition (DSP), sentence hearing (SNT) and applications (APP).
- (4) Hourly cost for a Bylaw Officer is estimated at \$34, including salary and benefits.

6.4. Improve the Bylaw Dispute System to Respond to the Needs of Citizens

Generally, citizen complaints about bylaw enforcement have focused on the timeliness of having their ticket dealt with, the previous limitations on municipal authority to legally review and cancel a ticket, and the requirement to attend court to have the matter dealt with.

In January 2005, screening officers from each of the three North Shore municipalities were interviewed regarding public satisfaction with or confidence in the new screening and dispute process. They were asked to provide their impressions of the attitudes of those who requested a review of their bylaw tickets; whether the disputants were generally satisfied, dissatisfied, or indifferent to the speed, fairness and outcome of the new adjudication system. (see *Appendix B*).

- The feedback received to date by the screening officers indicates that the disputants are generally satisfied with the speed and the fairness of the process.

- All three municipalities have received favourable comments about the timeliness of the dispute screening and scheduling process.

"we had a few challenges in the beginning but now the process runs very smoothly and customers are often surprised at how quickly the screening process is handled. West Vancouver Bylaw Enforcement is open 7 days a week from 8 am to 8 p.m. so we have the ability to screen tickets on a daily basis when necessary. There are always at least 2 Officers on duty at all times so the issuing Officer would never be screening their own tickets"

The fairness of the screening process has been questioned by a few disputants; especially the impartiality of using another Bylaw Enforcement Officer to screen disputes.

Reactions to the outcome of the screening process have been mixed unless the ticket is dismissed. If the screening officer upholds the ticket, some disputants are resigned, others attempt to persuade for resolution in their favour. Others complain about fairness. The most frequent complaint is the \$25 adjudication fee.

- The three North Shore municipalities have received favourable comments about the timeliness of the adjudication process.

"Certainly the scheduling of the hearings is far superior to the MTI or Provincial court method and is improving on a regular basis. The public is surprised and pleased that these matters can now be dealt with so quickly and they are not waiting months and months to have their 'day in court'."

- The Screening Officers' general impressions are that the public perceives the adjudication process as fair.

"The fact that the adjudicators are appointed by the Province gives them a sense of that".

Another measure of the public's respect for the new bylaw notice adjudication system is the number of court challenges of an adjudicator's decision. Although the legislation does not allow for an appeal of an adjudicator's decision, the local government or the disputant may seek relief in the Supreme Court under the *Judicial Review Procedures Act*; if they feel that the adjudicator exceeded his or her authority or made an error at law. Unfortunately, there is no basis to compare this measure prior to and after the new adjudication system was established; because there are no data easily available on the number of appeals of North Vancouver Provincial Court bylaw convictions. It is noteworthy that there has only been one court challenge out of the 36 bylaw tickets that have been upheld by the adjudicators.

- Another measure of the public's respect for the new system is the number of complaints received by local and provincial politicians. The Attorney General has not received any complaint letters related to the North Shore Bylaw Dispute Registry pilot project. There have been many letters of support, inquiry and thanks. None of the North Shore municipal counsellors have received any complaint letters about the new bylaw adjudication process.

6.5. Reduce Bylaw Related Document Service

The Union of BC Municipalities' first asked the Attorney General to waive the requirement for personal service of a summons for unpaid traffic related bylaw violation tickets in the late 1990's; because the summons process was costly and ineffective. The North Shore municipalities are not using the Municipal Ticket Information (MTI) so this objective is not applicable to them. This would be a desirable objective for municipalities that use MTI's. If we were to assume that the three North Shore municipalities used MTI's, and that a summons would have been required for every bylaw hearing-related appearance at North Vancouver Provincial Court; there would have been a 53% reduction in the number of summons required from 2003 to 2004 (see [Table 6.3.2](#)). This would result in significant cost savings for municipalities using MTI's.

7. Conclusions

The benefits of the North Shore Bylaw Adjudication Pilot Project definitely outweigh the costs. The North Shore system will cost approximately \$20,000 per year to operate. However, this is offset by savings of between \$5,000 and \$10,000 in costs related to reduced Bylaw Officer appearances in Provincial Court, another \$5,000 in savings from reduced collection agency commissions, and an additional \$15,000 in payments received through the collection agency on outstanding fines. Cost savings related to reduced requirements for document service will be an additional benefit. Administrative costs for the adjudicator will be offset by the \$25 administration fee for adjudication.

THE LENGTH OF TIME TO DISPOSITION WAS REDUCED

A common complaint from municipalities and citizens against the use of the Provincial Court to resolve bylaw enforcement disputes is the length of time that it takes to have a ticket heard. Based on the experience in the North Shore pilot, the length of time to disposition was significantly improved. All three measures of the change in the length of time to disposition indicate significant improvement, from 2003 to 2004.

THE FINE PAYMENT RATE WAS IMPROVED

Municipalities have expressed frustrations with the difficulty in collecting fines for bylaw infractions. Every measure of the change in the bylaw fine payment rate indicates significant improvement. Thirty-two percent of the disputed tickets that were upheld by the adjudication were paid immediately, as well as the \$25 administrative fee. There would have been a delay in receiving payment of several months if these simple parking tickets had been disputed in the Provincial Court and there would not have been a \$25 cost recovery of municipal administration costs per ticket.

The dollar amount of total fines and fees paid increased by \$10,025 from 2003 to 2004, even though the total dollar amount of fines and fees issued decreased by \$26,980. In 2003, 54% of the tickets issued between May 1 and December 31 were paid by January 20, 2004. This rose to 58% for the same time period in 2004.

The collection agency's success rate as measured by the percent of referred tickets paid increased dramatically between 2003 (3%) and 2004 (17%). This improvement represents an 81% increase from 2003 to 2004 and clearly demonstrates that the new bylaw adjudication system increases bylaw fine revenues and improves the timeliness of fine payments. The younger age of the 2004 referred tickets has definitely improved the collection agency's success rate and the overall fine payment rate.

Another benefit of the reduction in the age of tickets referred to the collection agency was a reduction in the collection agency's percentage share of the amounts collected. This was reduced from 34% to 18% and resulted in an additional \$5,000 in bylaw fine revenue for the City of North Vancouver in 2004.

THE PROPORTION OF TICKETS DISPUTED WAS REDUCED

Local governments have indicated that bylaw dispute rates are driven up by the perception that the courts will be lenient on bylaw infractions. A reduction in the dispute rate is a benefit for a municipality since it doesn't have to expend as many resources to enforce minor bylaws like parking. The previous dispute rate (3.2%) fell to 0.2% in the last eight months of 2004.

THE BYLAW DISPUTE SYSTEM HAS BEEN IMPROVED TO RESPOND TO THE NEEDS OF CITIZENS

Generally, citizen complaints about bylaw enforcement have focused on the timeliness of having their ticket dealt with, the previous limitations on municipal authority to legally review and cancel a ticket, and the requirement to attend court to have the matter dealt with. The feedback received to date by the screening officers indicates that the disputants are generally satisfied with the speed and the fairness of the process. The Attorney General has received many letters of support, inquiry and thanks, and not one complaint letter. North Shore municipal counsellors have not received any complaints about the bylaw adjudication process (as at March 21, 2005).

BYLAW RELATED DOCUMENT SERVICE WILL BE REDUCED

The Union of BC Municipalities' first asked the Attorney General to waive the requirement for personal service of a summons for unpaid traffic related bylaw violation tickets in the late 1990's; because the summons process was costly and ineffective. The North Shore municipalities are not using the Municipal Ticket Information (MTI) process so this objective is not applicable to them. This would be a desirable objective for those municipalities that use MTIs, like Vancouver. The decrease in disputes and consequent reduction in Provincial Court bylaw hearings suggests there could be a 50% reduction in the number of summons requiring personal service, with the new system.