To: Chairman and Police Service Board Members   **From:** Chief Stephen J. Tanner

Subject: **POLICE RECORDS CHECKS - FEE INCREASE**

Report #: **P18-11-R-08**   **Date:** November 22, 2018

RECOMMENDATION:

"That the Halton Regional Police Services Board approve an increase in the Police Records Check fee to a full cost recovery fee of $30.00 per clearance effective January 1, 2019; and,

Further, that the Chairman is authorized to endorse any By-Laws or By-Law amendments or reports to Regional Council to implement the decisions of the Board as related to the Security Clearance Fee."

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Stephen J. Tanner
Chief of Police

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INTRODUCTION AND BACKGROUND:

The Service provides Police Records Checks for members of the public who reside in Halton Region. There are three types of checks provided: Criminal Records Checks (Level 1), Criminal Record and Judicial Matters Checks (Level 2) and Vulnerable Sector Checks (Level 3).

Police Records Checks, including Vulnerable Sector Screening, may be required by members of the public as part of employment conditions or to volunteer with various organizations (school boards, sports leagues, charities, etc.). The clearance includes disclosure of information from a variety of information databases including the National Repository of Criminal Records, court dispositions, and information from local and other police records.

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The average volume of Police Records Checks over the prior 3-years is approximately 34,200 per year (roughly 3.5% increase per year) and the current fee (last reviewed in 2015) is $25.00 per Clearance (same fee for either Volunteer Clearance or Employment Clearance).

Staff has reviewed the costs associated with providing these clearances and proposes an increase in the fee to $30.00 per clearance to reflect a number of relevant factors including: increased workload to administer the program; negotiated contract settlements; and, updated benefit costs. In addition, it is believed this recommendation will result in a higher volume of clearances initiated via the online method which in turn will decrease the workload associated to processing walk-in records check forms by front desk staff in our Districts and Records Clerks at Headquarters. Although there is an anticipated decrease in processing volume at our front desks, requests have increased on an overall annual basis by approximately 3.5%.

DISCUSSION / ANALYSIS:

Section 391 (1.1) of the Ontario *Municipal Act* authorizes local boards (including police services boards) to impose fees or charges for "services or activities provided or done by or on behalf if it". Section 391 (3) further states that the fee may include costs incurred for administration, enforcement and the establishment/acquisition/and replacement of capital assets.

The fee for Police Records Checks was last updated in 2015 and as such, the current direct and indirect costs were reviewed to ensure the Service recovers an appropriate fee for the services provided. The cost review included an analysis of:

- Direct staffing costs and applicable benefits,
- Indirect staffing costs and applicable benefits including estimates of time allocations for supervisory staff, Station Duty Clerks, Fingerprint Clerks, IT support, Corporate Services, Legal Services, etc.
- Administration costs including copier lease costs, computers, printers, phones, fingerprint equipment and other minor elements,
- The Point-of-Sale (POS) processing fees associated with providing "online" Records Checks.

A review of the fee structures in place at other police services throughout the province indicates that there is no single consistent fee structure. Some services charge a fixed fee regardless of clearance type (volunteer or employment), some services charge differentiated rates, while others do not charge a fee for Volunteer Clearances (but a much higher fee for Employment Clearances). In addition, the rates fluctuate significantly between services with a maximum fee of $65 for Employment Clearances. In 2015, the Service chose to charge a flat fee regardless of the purpose of the clearance since the work required for both is the same.

The total annual cost for the provision of Police Records Checks is approximately $909, 000 including all costs identified above. The Service introduced online Police Records Checks in 2016, which affords Halton residents opportunity to apply for a Police Check online for an additional $9.95 fee (paid to our online supplier Forrest Green Solutions Ltd.). In addition to the

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convenience provided to the public, the online method provides a streamlined process for our staff and nearly cuts the processing time by one-third.

To date, the adoption rate for online Records Checks is approximately 27% and plans are being developed to increase this total toward an attainable 50% or higher in the next three years. The recommendation to raise the Records Check fee to a universal fee of $30.00 will include the $9.95 online fee (paid to Forrest Green) for those who choose to apply online. It is predicted that a flat $30.00 fee for in-person or online Records Checks will drive the public to greater adoption of the online method, which will result in decreased internal work effort and revenue for those Police Checks. However, online Police Checks are quicker to produce thereby costing the Service less to process, even with a yearly 3.5 % increase in applications.

It is difficult to accurately predict what the online adoption rate will grow to with a $30.00 flat rate fee; however, it is expected to boost the percentage of applications initiated online. Using a conservative estimated increase to 35% of on-line requestors, the Service estimates the following revenue:

> 11,970 Records Checks done online x $20 = $239,400 revenue
> 22,230 Records Checks x $30   = $666,900 revenue
>   Total   = $909,300 revenue

Staff will review monthly the ratio of online to conventional Police Records Check to ensure proper cost recovery.

Of note, a review in 2016 showed that our police records check staff are the second most efficient of the Big 12 Police Services. They each process nearly 7,000 Police Record Checks annually, compared to an average of 5,160. Despite their tremendous efficiency, as the number of Records Checks continues to grow, we will either need to become even more efficient in our business processes or additional staff will be needed to meet the demand. It is hoped the recommended universal $30.00 fee will increase the number of online applicants thereby allowing us to be more efficient and process more Police Records Checks with the same staff.

ALTERNATIVES:

Eliminate the service or the fee: Not recommended.

Maintain the existing fee structure at $25 per Police Record Check: Not recommend since the current fee structure does not provide incentive for the public to use the more efficient online solution. Also not recommended since the number of Police Record Checks is increasing, as such the walk-in Police Record Check system will not be sustainable with the current staffing model.

Implement a $30 universal fee for all Police Record Checks: Recommended to provide an appropriate pricing structure to recover all costs to the Service and to provide an incentive for the public to use the online method and allow our staff to process Police Records Checks more efficiently.

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CONSULTATION:

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S/Sgt Chris Lawson– Manager – Information and Records Services (author)
Shannon King– Assistant Manager – Information and Records Services
Carol Guilfoyle – Finance Analyst – Finance Support Services

FINANCIAL / HUMAN RESOURCE / LEGAL ISSUES:

The proposed increase in the Cost Recovery Service Fee will provide a break-even recovery based on average 34,200 clearances per year and the Service's current cost structure.   The fee increase brings the recovery rate more in line with the fully absorbed costs associated to administer and deliver the service and creates efficiencies within the Service.

There are no identified Human Resource issues.

An amendment to the existing By-Law #2008-002 is required, which may require the approval of Regional Council.

STRATEGIC MANAGEMENT ISSUES:

Theme 1: Community Safety and Well-Being.

This recommendation will allow for faster and more efficient processing of Police Records Checks thereby contributing to Goal # 2.

"Deter criminal activity and maximize crime clearance rates — strengthen crime prevention, enhance community policing and safety initiatives and relentlessly pursue criminals."

Theme 2: Outreach and Collaboration.

This recommendation will assist in reaching Goals #1 and #3 by working with our community partners to provide them with the information they need to administer their staff and volunteers.

'Inspire trust/confidence in the Halton Regional Police Service and strengthen awareness of the value and importance of Police Services Board civilian oversight.'

'Collaborate with all sectors of the community, our municipal partners and other law enforcement agencies in the prevention and solving of crime. Contribute to the overall success of the Service's Community Safety and Well-being Plan."

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Theme 3: Organizational Capacity

This recommendation will allow us to make strides toward Goal #1 by becoming more efficient.

"Maximize the effectiveness and efficiency of the organization by:

> *a) Working effectively with community and municipal partners.*
> *b) Harnessing new technologies and maximizing innovation, responsiveness, outreach and service delivery.*
> *c) Enhancing the use of police analytics and utilizing available internal/external data.*
> *d) Ensuring that police resources, accountable fiscal planning and sustainable funding responsibly address: operational requirements; growth/changing demographics; and the delivery of Community Planning and Well-being initiatives."*

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