

**City Manager's Office Report to  
Priorities and Finance Committee  
2020 July 14**

**ISC: UNRESTRICTED  
PFC2020-0738**

## **Council Innovation Fund Application - Administrative Penalties System Start-up Costs**

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### **EXECUTIVE SUMMARY**

Councillor Woolley is sponsoring an application to the Council Innovation Fund ("CIF") in partnership with the City Clerk's Office. The CIF application is seeking some of the start-up funding necessary to establish tribunal as part of an Administrative Penalties System (APS). Funding in the amount of \$275,000 would largely be used to support (1) establishment of facilities to support service to tribunal clients; and (2) funding of communications and engagement work to ensure public understanding of, and trust in, a new APS system.

### **ADMINISTRATION RECOMMENDATION:**

That the Priorities and Finance Committee recommends that Council:

1. Approve the Council Innovation Fund Application in the amount of \$275,000;
2. Direct Administration to report back on outcomes no later than the end of 2021; and,
3. Direct that this report be forwarded to the July 20 Combined Meeting of Council as an item of urgent business.

### **HIGHLIGHTS**

- Council innovation funding would provide central, accessible tribunal facilities and support appropriate engagement and communications to ensure public understanding and trust.
- An APS would provide Calgarians with a more timely, accessible and convenient means of accessing justice.
- An APS would also provide a more efficient forum for The City to respond to legal challenges to some bylaw enforcement.
- Approval of this CIF application would support a Well-Run City, specifically "...improving the value of municipal services delivered by simplifying and streamlining processes and procedures, cutting red tape, eliminating service silos, and discontinuing those services that The City should not be providing."

### **PREVIOUS COUNCIL DIRECTION / POLICY**

On 2019 April 29, Council approved updates to the Council Innovation Fund Terms of Reference (Attachment 1). Any Member of Council can submit an application for CIF to the Priorities and Finance Committee for review and consideration and ultimately for Council's consideration and approval. The proposal for funding must demonstrate credibility, fiscal responsibility and good management which will be important considerations in the evaluation of applications.

At its 2020 January 13 Combined Meeting, Council received an update on City Charter authorities, including an update on implementation of a municipal tribunal.

On 2020 June 09, the Priorities and Finance Committee supported recommendations to Council in report PFC2020-0625 for proceeding to implement an Administrative Penalties System (APS), including direction for Administration to prepare an application to the Council Innovation Fund to address some of the related start-up costs. Those recommendations will be considered at the 2020 July 20 Combined Meeting of Council.

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### **BACKGROUND**

In 2018 April, the Province established the *City of Calgary Charter, 2018 Regulation*, in which an authority was established for The City to establish an APS limited to parking and transit fare evasion matters.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The City Charter provides The City with authority to establish an APS limited to parking and transit fare evasion matters. The purpose of an APS is to encourage compliance and promote changes in behaviour, and to have responses to contraventions that are proportional to offences. Administrative penalty systems are becoming widely accepted and adopted throughout various Canadian jurisdictions as alternatives to enforcement in Courts. Under an APS, violations are appealed to a tribunal rather than a court. Tribunals provide less formal, more flexible and faster means of accessing justice than the Courts.

If Council directs establishment of an APS, start-up costs for facilities and communications work in 2020 and 2021 would need to be met. The Council Innovation Fund has been identified as a prospective funding source that is compatible with the innovative opportunity an APS represents.

Using CIF funds to establish a facility where public can access tribunal services and support in a central and secure location will support accessibility, maintain the public trust, and ensure the safety of the public and staff.

Using CIF funds to engage and communicate with the public will support public understanding of the tribunal and how its processes differ from those of the Court, ensuring the public can access justice, and have trust that their concerns will be fairly heard.

### **Stakeholder Engagement, Research and Communication**

Development of the Business Recommendation for an APS has involved input from a broad range of internal partners and stakeholders, as well as preliminary discussions with Provincial officials and a study of leading practices in other jurisdictions. Facilities Management and Customer Service and Communications representatives have been engaged to consider space options and develop communications strategies.

### **Strategic Alignment**

The CIF funding application aligns with the Terms of Reference, as set out in the Application for Council Innovation Fund (Attachment 2).

This project would also deliver results aligned with the 2019-2022 Council Directives for a Well-run City, and specifically Strategic Action W2: "The City must work on improving the value of municipal services delivered by simplifying and streamlining processes and procedures, cutting red tape, eliminating service silos, and discontinuing those services that The City should not be providing."

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### **Social, Environmental, Economic (External)**

An APS program featuring early resolution options, alternative remedies and discretion to provide compassionate relief could be considerably more responsive and efficient in meeting the needs of marginalized or vulnerable populations than the current court-based process. An APS program would align with existing and evolving Calgary Transit enforcement initiatives to improve the response to non-compliance by marginalized or vulnerable populations.

### **Financial Capacity**

As of 2020 July 3, the balance of the Council Innovation Fund is approximately \$2.833M. This application is a one-time funding request of \$275K.

### ***Current and Future Operating Budget:***

Details of the prospective long-term \$425,000 Corporate operating efficiency are set out in the Business Recommendation for an APS (see PFC2020-0625, Attachment 1).

### ***Current and Future Capital Budget:***

Other capital / start-up costs would be required to establish an APS; notably, an investment in an integrated case management system. An application for related funding from the IT Development Pool is being prepared for consideration by the Corporate Technology Committee.

### **Risk Assessment**

The risk of not proceeding with the CIF application would be that there may be inadequate funding available to meet the start-up costs associated with an APS, delaying or preventing implementation, and realization of the public benefits and Corporate efficiencies.

### **REASON(S) FOR RECOMMENDATIONS:**

An APS would improve the convenience and accessibility of challenging transit and parking violations for Calgarians, and the operating costs of a tribunal to resolve appeals of these matters would be considerably less than it costs for The City to enforce and prosecute these matters through court.

This report and attached CIF application should be forwarded to the Combined Meeting of Council on July 20<sup>th</sup> so that it may be considered by Council at the same time as the Business Recommendation for the Administrative Penalties System (APS) in report PFC2020-0625.

### **ATTACHMENTS**

1. Attachment 1 – Terms of Reference for the Council Innovation Fund
2. Attachment 2 – Application for Council Innovation Fund