



STAFF REPORT ACTION REQUIRED

Toronto Police Service – Response to the City of Toronto – Feasibility Of and Financial Implications Arising From Outsourcing Court Security and Parking Enforcement

Date:	October 21, 2014
To:	Executive Committee, City of Toronto
From:	Alok Mukherjee, Chair, Toronto Police Services Board

SUMMARY

The purpose of this report is to respond to the City of Toronto request for information on the feasibility of and financial implications arising from the transfer of court security duties to City of Toronto Corporate Security or privatizing it entirely, and the feasibility of and financial implications arising from outsourcing parking enforcement.

RECOMMENDATION

It is recommended that the Executive Committee receive this report for information.

FINANCIAL IMPACT

Court Security:

Any financial implications contained within this report arising from outsourcing Court Security are based on untested assumptions considering the multiple factors detailed within. Should an alternative business model be considered, a complete cost and benefit analysis would be required. Based on the assumptions contained within this report, there are negative financial implications resulting from existing collective bargaining agreements. If the intention is to immediately implement a change, the associated costs are estimated to be between \$0.2 million (M) and \$0.6M to cover the severance of those civilian members who have less than two years' service plus one civilian senior officer (currently 39 members) since contractually only those with less than two years' service plus civilian senior officers can be laid off. In addition, the Service would still be financially obligated for the remaining 742 civilian staff and their associated salary and benefit budget of \$66M per year until such time as all have been reassigned, retired, or

been placed in other positions. These costs are separate from, and additional to, the costs associated to outsourcing.

Furthermore, any changes to the court security delivery model and identified cost formula could affect the funds transferred from the Province to the City of Toronto and would have to be re-evaluated. For 2014, it is estimated that the Service will receive approximately \$18.9M from the Province to assist in funding court security. By 2018, it is anticipated that the Service will continue to receive approximately \$44M annually.

Parking Enforcement:

Any financial implications contained within this report arising from outsourcing Parking Enforcement are based on untested assumptions considering the multiple factors detailed within. Outsourcing and change might impact costs to the Toronto Police Service (Service) and City revenue. Should an alternative business model be considered, a complete cost analysis would be required in comparison with anticipated benefits. Based on the assumptions contained within this report, there are negative financial implications resulting from existing collective bargaining agreements. The associated staffing related costs are estimated to be \$0.3 Million (M) to \$0.9M in onetime costs for severance packages of those civilian members who have less than two years of service plus one civilian senior officer (currently 57) since only those with less than two years of service plus civilian senior officers can be laid-off. In addition, the Service would still be financially obligated for the remaining 340 staff and their associated salary and benefit budget of \$28.9M per year until such time as all have been reassigned, retired, or been placed in other positions. These costs are separate from, and additional to, the costs associated to outsourcing.

ISSUE BACKGROUND

At its meeting on September 11, 2014, the Toronto Police Service Board ('the Board') was in receipt of a report (dated August 12, 2014) on the feasibility of and financial implications arising from the transfer of court security duties to City of Toronto Corporate Security or privatizing it entirely and a report (dated August 12, 2014) on the feasibility of and financial implications arising from outsourcing parking enforcement.

COMMENTS

Mr. Kris Langenfeld was in attendance and delivered deputations to the Board on both matters.

The Board received the deputations by Mr. Langenfeld.

The Board also received the Chief's reports for information and requested that the City be advised that the Board will conduct a review of the feasibility of outsourcing court security and parking enforcement after it receives KPMG's Comprehensive Organization Review report.

Staff report for information on feasibility of, and financial implications arising from, outsourcing Court Security and Parking Enforcement.

The Board also agreed to refer both reports to KPMG to assess as part of its review.

CONCLUSION

Copies of the Chief's reports are attached as Appendix "A" (court security) and Appendix "B" (parking enforcement) to this report for information.

CONTACT

Chief of Police William Blair
Toronto Police Service
Telephone No. 416-808-8000
Fax No. 416-808-8002

SIGNATURE

Alok Mukherjee
Chair

ATTACHMENT

Appendix A – Board Minute No. P201/14
Appendix B – Board Minute No. P202/14

- c. Mr. Rob Rossini, Deputy City Manager & Chief Financial Officer, City of Toronto
- x. feasibility of outsourcing court security and parking enforcement.doc

APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON SEPTEMBER 11, 2014

#P201. RESPONSE TO THE CITY OF TORONTO – FEASIBILITY OF, AND FINANCIAL IMPLICATIONS ARISING FROM, OUTSOURCING COURT SECURITY

The Board was in receipt of the following report August 12, 2014 from William Blair, Chief of Police:

Subject: THE FEASIBILITY OF AND THE FINANCIAL IMPLICATIONS ARISING FROM OUTSOURCING COURT SECURITY

Recommendations:

It is recommended that:

- (1) The Board receive this report; and
- (2) The Board forward a copy of this report to the Deputy City Manager and Chief Financial Officer, City of Toronto, for information.

Financial Implications:

Any financial implications contained within this report are based on untested assumptions considering the multiple factors detailed within. Should an alternative business model be considered, a complete cost and benefit analysis would be required. Based on the assumptions contained within this report, there are negative financial implications resulting from existing collective bargaining agreements. If the intention is to immediately implement a change, the associated costs are estimated to be between \$0.2 million (M) and \$0.6M to cover the severance of those civilian members who have less than two years' service plus one civilian senior officer (currently 39 members) since contractually only those with less than two years' service plus civilian senior officers can be laid off. In addition, the Service would still be financially obligated for the remaining 742 civilian staff and their associated salary and benefit budget of \$66M per year until such time as all have been reassigned, retired, or been placed in other positions. These costs are separate from, and additional to, the costs associated to outsourcing.

Furthermore, any changes to the court security delivery model and identified cost formula could affect the funds transferred from the Province to the City of Toronto and would have to be re-evaluated. For 2014, it is estimated that the Service will receive approximately \$18.9M from the Province to assist in funding court security. By 2018, it is anticipated that the Service will continue to receive approximately \$44M annually.

Staff report for information on feasibility of, and financial implications arising from, outsourcing Court Security and Parking Enforcement.

Purpose:

At the January 16, 2014 Board meeting (Min. No. P7/14 refers) the Toronto Police Services Board received correspondence, dated December 16, 2013 from Roberto Rossini, Deputy City Manager and Chief Financial Officer, City of Toronto, that contained motions approved by the City's Budget Committee on December 10, 11, 12 and 13, 2013.

The motions from The City asked that the Deputy City Manager and Chief Financial Officer provide a briefing note to the Budget Committee meeting on the feasibility of the following options regarding court security:

- Privatizing it entirely.
- Transferring security duties to City of Toronto Corporate Security.

The Board requested that the Service submit a report.

Discussion:

Legislative Authority/Obligations

The mandate of Court Services is drawn from various municipal, provincial, and federal laws. These duties are the legislated responsibility of the Service. Under the *Police Services Act (PSA)*, the Toronto Police Services Board is required to provide court security for all court proceedings within the City of Toronto. TPS Court Services is mandated to discharge the following duties:

- Provide court security
 - The *PSA* and *Provincial Adequacy Standards* make the municipal police responsible for court security and related functions. The police service appoints special constables to perform duties that require peace officer powers.
- Provide prisoner transport
 - The *PSA* and *Provincial Adequacy Standards* make the municipal police responsible for court security and related functions. The police service appoints special constables to perform duties that require peace officer powers.
- Obtain DNA samples
 - The *Criminal Code of Canada* makes peace officers responsible for collecting DNA samples and provides the powers to detain citizens and use force, as necessary, to ensure the collection of samples.
- Deliver and serve court documents and notices, as mandated by federal and provincial statutes
 - Federal statutes require peace officer status, e.g. *Criminal Code of Canada*
 - Provincial statutes require provincial offences officer status, e.g. *Provincial Offences Act*

- Provide training and supervision to Court Officers
 - *Provincial Adequacy Standards* dictate that police services are responsible for providing the training and supervision for court security
- Assist in the prosecution of offences
 - Supports and protects the work of officers in the field by ensuring that all required information has been provided and is available to the Crown
- Provide certain services to the Coroner
 - The *Coroner's Act* requires that police officers be assigned to assist in Coroner's Court

The following legislation, Acts and regulations provide guidelines and rules for court security, prisoner management and associated process:

1. The Police Services Board is responsible for court security and prisoner management under the *Police Services Act* R.S.O. 1990, CHAPTER P. 15. Last amendment: 2009, c. 33, Sched. 9, s. 10.

Police Services Act, PART X
Court security, Municipalities with police forces

137. (1) A board that is responsible for providing police services for one or more municipalities has the following responsibilities, with respect to premises where court proceedings are conducted:
 1. Ensuring the security of judges and of persons taking part in or attending proceedings.
 2. During the hours when judges and members of the public are normally present, ensuring the security of the premises.
 3. Ensuring the secure custody of persons in custody who are on or about the premises including persons taken into custody at proceedings.
 4. Determining appropriate levels of security for the purposes of paragraphs 1, 2 and 3. R.S.O. 1990, c. P.15, s. 137 (1); 1997, c. 8, s. 41.

Common law replaced

- (3) The responsibilities created by this section replace any responsibility for ensuring court security that existed at common law. R.S.O. 1990, c. P.15, s. 137 (2, 3).

2. Toronto Police Service Board Minute P439/00 approves the Adequacy Standards Regulation Policies, and makes the Chief of Police responsible for court security.

Police Services Act, Ontario Regulation 3/99
Adequacy and Effectiveness of Police Services

13. (1) Every chief of police shall establish procedures and processes in respect of [among other things],
 - (l) prisoner care and control;
 - (m) prisoner transportation: and O. Reg. 3/99, s. 13 (1).

16. If a Board is responsible for court security under section 137 of the Act, the chief of police shall,
 - a) prepare a court security plan;
 - b) establish procedures on court security that address supervision and training; and
 - c) ensure that court security personnel have the knowledge, skills and abilities to perform this function.
3. The *Police Service Act* allows the Board to appoint special constables for the purpose of conveying prisoners and performing duties under Section X of the *PSA*.

Appointment of special constables by Board

53. (1) With the Solicitor General's approval, a board may appoint a special constable to act for the period, area and purpose that the board considers expedient. R.S.O. 1990, c. P.15, s. 53 (1); 1997, c. 8, s. 33 (1).

Powers of police officer

- (3) The appointment of a special constable may confer on him or her the powers of a police officer, to the extent and for the specific purpose set out in the appointment.

Idem

- (5) Subsection (4) does not prohibit police forces from authorizing special constables to escort and convey persons in custody and to perform duties related to the responsibilities of boards under Part X. R.S.O. 1990, c. P.15, s. 53 (5); 1997, c. 8, s. 33 (3).

(Refer to Appendix 'A' for other related legislation)

In the early 1980's, the Toronto Police Service (Service) started hiring civilian personnel to fill the position of court officer. Prior to 1980, this function was performed by police officers under the supervision of a sergeant at each court location. These court officers were sworn in as special constables, pursuant to the provisions of the *Police Services Act*.

As the City's policing needs expanded, so did the growth of Court Services. By 1990, court officers had been assigned responsibility for transporting prisoners between the court locations, divisions, and correctional facilities, a task previously performed by police officers.

There was also an increase in the number of courthouses for which the Service was responsible. In 1990 there were 138 court rooms. Today, members of Court Services secure 16 court locations across Toronto with a total of 274 court rooms encompassing criminal, civil, family, and *Provincial Offences Act (POA)* hearing rooms.

All sections within Court Services are managed by civilian Location Administrators who report directly to a Manager or Staff Inspector, who in turn report to the Superintendent of Court Services.

In September of 2012, Court Services began placing experienced, senior court officers into divisions to take on the function of divisional prisoner management, replacing police officers.

In November of 2013, eleven (11) criminal investigation clerk positions were transferred to Court Services and reclassified as disclosure clerks to meet the needs of the new records management system (Versadex) implementation and the requirements to provide court disclosure.

Court Services has 781 members, comprised of 18 uniform and 763 civilian members, working in court locations as well as Prisoner Transportation, Document Services Section, Court Assisted Scheduling of Court, Planning, Risk Management, Training and Divisional Prisoner Management. It has an annual budget of \$63.6M, which excludes centralized costs.

In October 2008, the Provincial Government committed to fulfil its responsibility to pay for municipal court security and prisoner transportation and in 2012, the Province began making transfer payments.

In 2013 the Province transferred approximately \$12.6M to the Service. For 2014 it is estimated that the Service will receive approximately \$18.9M. By 2018 the planned cap of \$125M in provincial funding will be reached and it is anticipated that the Service will continue to receive approximately \$44M annually. Therefore, any changes to the court security delivery model and identified cost formula could affect the funds transferred from the Province to the City of Toronto.

TPS Model of Court Security

Court Services is a large unit that deals with complex, complicated and diverse duties related to security, cell and prisoner management, prisoner transportation, and police service processes that include case processing, disclosure, booking, DNA collection and fingerprinting. The size and population of the City of Toronto, the size and scope of operations of the Service, and the fluid demands of the justice system contribute to the extensive workload of the unit.

Over the year Court Services is responsible for over 83,000 persons in custody, over 154,000 prisoners transported, over 19,000 summonses and subpoenas served, over 584,000 *Provincial Offences Act* notices processed, over 34,000 charge informations created, and over 3400 DNA samples obtained. This workload is not expected to diminish.

In addition to prisoner management and court security (cell, perimeter, public screening) court officers react to the decisions of the court regarding the release or continued detention of prisoners. Staffing resources are constantly monitored, evaluated and reassessed to provide coverage during changes to courthouse demands and evolving security needs throughout multiple court locations. Overseeing and directing the work of court officers requires several levels of supervision and management which serves to protect the interests of the public, persons in custody, the judiciary, court staff, the Service and the Police Services Board.

Court Officers are trained in all aspects of court security requirements, prisoner management as well as specialized functions. The Court Services staffing model takes into consideration the operational needs of the court location and has built into it the flexibility to respond to circumstances, demands, and associated duties, as needs arise.

Court officers may be assigned to as many as 5 or 6 different functions throughout the day, based on continually changing operational needs. Just a few of the variables, which are often unpredictable, include the timing of prisoner arrivals and departures, the classification of prisoners (high risk), incidents of violence, the need to keep prisoners separate, the timing of courtrooms opening and closing, hospital runs, lawyer interviews, the nature of hearings taking place, and responding to legislated orders (e.g. court orders to extract blood sample for DNA, handling drug exhibits), etc. The ability to assign staffing resources to respond immediately to requests from the court, as the need arises, requires staff who are trained and available in a variety of specialized functions. The current Court Services staffing model is the most efficient and effective use of resources due to its flexibility to meet court security needs and address the responsibilities of the Toronto Police Service.

Court Services – Duties

The delivery of court security is based on municipal, provincial and federal partnerships. There are numerous established working relationships and memorandums of understanding with multiple police agencies of various levels as well as correctional facilities and mental health institutions including shared responsibilities regarding the transportation of prisoners and those with special needs (youth, disabled, medical, violent).

Furthermore, some of these partnerships rely on shared access to secure police data bases (e.g. CPIC) and so court officers are trained and authorized by the Service to fulfill the requirements of the *Canadian Criminal Code* and the *Identification of Criminals Act* to collect DNA samples and fingerprints, using force as necessary, for the Federal DNA database when ordered by the court.

Court officers search and manage prisoners, document and secure property, deal with medication and medical issues, provide meals, and monitor prisoner wellbeing. Court officers transport prisoners to and from divisions, court locations and detention facilities, and maintain prisoner care and control while they are in the custody of the Service. Court officers are routinely required to testify in court regarding the use of restraints, security concerns, prisoner delays, disruptions that impact court process or any other matter deemed of importance to the court. Additionally, court officers are called as witnesses for inquests relating to in-custody deaths and criminal trials.

Court officers are responsible for the safety and security of all persons within a court location. They ensure that dangerous items or contraband are not brought into these facilities. While performing these duties, they must be sensitive to cultural, religious, psychological and emotional needs, developmental disabilities, and respect the individual needs and rights of the public. They make arrests for illegal weapons or drugs at the security screening stations and provide medical assistance as a first responder to incidents.

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Court officers hold positions of responsibility and errors can have significant impacts on prisoners' life and liberty, the safety of the citizens of Toronto and the public's perception of the Service, the courts and the justice system.

Court Services ensures that the justice system is served by providing carefully selected, well trained court officers and supervisors. The selection process is long and requires recruits to pass several levels of scrutiny prior to being selected.

The training that recruits receive encompasses a 15 week program that includes 7 weeks of in class instruction and 8 weeks of field training with a dedicated coach officer. Court officers require regular mandatory training to meet the provincial adequacy standards, annual Use of Force requirements, and to comply with the *Ontario Human Rights Code* and *Accessibility for Ontarians with Disabilities Act*. Court Services provides ongoing training through in-service sessions, workshops, and dynamic scenarios specific to the needs of the court locations and the Service. They are also trained for their specialised roles such as, the *Identification of Criminals Act*, the *DNA Identification Act*, the *Mental Health Act*, and Drug Treatment Court.

Court Services supports the work of front line personnel through a Court Services governance team, responsible for the development, implementation, and training of governance specifically related to Service responsibilities and legislation.

The interaction between court officers and prisoners, and court officers and the public can result in conflict or complaints. Court Services has a dedicated Risk Management Section that works in conjunction with the Service's Professional Standards to investigate and resolve conduct and complaint issues and ensure accountability of our members.

Specialised Duties and Considerations

As noted on page 3 of this report, court officers are cross trained and may take on multiple tasks through the course of a day. The following describes the specialised duties of court officers.

DNA Coordinator and DNA trained court officers

- The DNA coordinator, attends jails throughout the Province to take DNA samples for in-custody offenders, trains new DNA court officers, liaises with the DNA Databank in Ottawa and resolves issues.
- DNA court officers fingerprint and take blood samples from convicted offenders who are in or out of custody and complete the required forms and ensure all documentation prepared by the courts is correct and acceptable for submission to the RCMP DNA Databank.

Drug Treatment Court

- The Drug Treatment court officer liaises between the Service and the courts to ensure that accused persons who meet the requirements for the Drug Treatment Program are diverted into the program when directed.

Drug Exhibit Court Officers

- Court officers are responsible for retrieving drug exhibits required in court and maintaining secure custody of the exhibits until they are required by the court.

Divisional Prisoner Management

- Court officers are assigned to divisional booking halls to perform booking and prisoner management duties. This function was previously performed by police constables. Eighty-five court officers are required to fulfill this function at all divisions.

Police Liaison Services

- In addition to providing security within the court room, the main responsibility of Court Liaison is to attend all bail, set date, plea, and specialty courts to provide police related information to the crown on behalf of the Service. They monitor and communicate court decisions to those units within the Service and external law enforcement agencies who require the information for the purposes of immediate victim protection, bail compliance, and other areas of community safety.

Case Preparation and Disclosure Management

- Court officers and Disclosure Clerks are responsible for completing criminal cases, creating charge informations, and managing the delivery of disclosure prepared by police officers to the crown.

Canadian Police Information Centre (CPIC) Access

- Court officers have access to CPIC in order to provide reports to crown attorneys and information critical to the safe management of prisoners. Access to CPIC is managed by the Royal Canadian Mounted Police (RCMP) and is provided to law enforcement agencies only. Each agency having access to CPIC records is responsible for the confidentiality and dissemination of information stored on the CPIC system. The dissemination of information obtained from CPIC must be in accordance with existing federal and provincial policy and legislation concerning privacy and information access.

Emergency Management & Public Order - Hand Off Teams

- Court Services has specialized teams of trained court supervisors and officers that work with Emergency Management & Public Order to provide prisoner care and control during planned and spontaneous civil disruptions and mass arrests. These specially trained members can be called in for duty on short notice and respond to the needs of the Service.

Victim Notification

- Court officers monitor high risk cases involving victims of violence and participate in the victim notification process. They ensure divisions are notified immediately when an accused receives bail where there is a victim at risk of being re-victimized.

Witness Protection during Court Proceedings

- Court officers work with case managers to ensure the safety of witnesses attending court. They also provide an immediate response to safety threats and remove witnesses from the

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courthouse when threats occur. When witnesses are in custody, court officers ensure that the accused and witness remain separated within the cell environment.

Responding on Record to Questions from the Court

- Court officers and their supervisors are required to formally address the court in response to questions regarding prisoner transportation delays, restraints, or to explain security practices.

Fingerprinting for Identification

- Court officers are trained and on occasion take fingerprints from offenders. This is a function and requires access to Service equipment and secure databases.

Provincial Offences Act (POA), Civil & Family courts

- Court officers take persons into custody who receive a custodial sentence on *POA* charges. In Toronto, over 150 citizens are taken into custody at *POA*, Civil and Family courts per year.

Prisoner Care and Control

- Court officers manage the needs of prisoners, including recognizing signs of distress, drug and alcohol overdose and withdrawal; providing first aid and notifying EMS when required; ensuring medication is provided as prescribed, and separating prisoners who may endanger others (gang affiliations, emotionally disturbed, witness against other prisoners, agitated, etc.) Court officers give evidence in court addressing prisoner care and control for example, prisoner assaults resulting in injury and inquests relating to in-custody deaths.

Prisoner Meals

- Court Services must provide meals to prisoners housed in court locations and so manages the contract with the vendor.

Weekend and Statutory Holiday (WASH) Court

- Every weekend and statutory holiday court officers are required to operate bail court at Old City Hall.

Taking these matters into consideration, it becomes clear that privatizing or transferring court security to the City of Toronto Corporate Security would be extremely complicated. The complexities of the duties, responsibilities and functions performed within Court Services are so deeply embedded in the service delivery model of the Service that it would be a costly and labour intensive undertaking to attempt to successfully extract these integral functions.

Labour Relations Issues, Human Resources and Financial Implications

There are 781 members in Court Services, 18 uniform and 763 civilian members that would be impacted by privatization or transfer to the City of Toronto, Corporate Security. Salary and benefits for the current complement of 781 staff is \$68.9M. Based on collective agreement requirements the Service has limited flexibility in dealing with staff. The Board and the Service must consider the Unit A, C and D Collective Agreements' Article 21 – Technological Change.

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Article 21 – Technological Change

21:01 It is the policy of the Board to endeavour to place in other positions any permanent Service members who may be displaced by technological improvements in the operation of the Service or by the contracting out of any services now performed by the members represented by the Association. Should the Board decide to contract out any work now performed by members falling within the bargaining unit, no such member with at least two years of permanent service with the Service will be laid off or have his/her employment terminated by reason thereof.

Court Services currently has 27 part time court officers and 11 temporary clerks with less than two years of permanent service who could potentially be laid-off. As there is not a similar article in the civilian Senior Officers Collective Agreement, the one civilian senior officer in the Unit could also be laid-off bringing the total to 39. For those members without protection from layoff or termination, it should be noted that although the *Employment Standards Act* stipulates notice and severance requirements, these should be considered the minimum because under common law one may be entitled to approximately four times the stipulated amount through litigation efforts. At this time, severance costs are estimated to be between \$0.2M to \$0.6M.

That would leave 742 members in Court Services and their associated salary and benefit budget of \$66M until they separated or were placed in other positions. At this point, it is not known how many could be placed into other positions within the Service. Currently, there are not enough vacancies to allow the Service to absorb all of the staff that would be affected.

The financial obligations for the staff that cannot be immediately placed may continue for several years into the future. Even the most optimistic estimate suggests that it would take up to eighteen years before all of the staff would be fully placed.

Section 40 Police Services Act - Reference to the Ontario Civilian Police Commission

Once a formal plan is in place to resolve the collective agreement issues, the Board will have to obtain the approval of the Ontario Civilian Police Commission (Commission) in order to reduce the size of the Service pursuant to Section 40 of the *PSA*.

The Service would be required to forward to the Commission a copy of the Board's resolution indicating a desire to reduce the size of the Police Service, a description of how it is to be achieved, an outline of the process followed by the local authorities to obtain public input on the proposal and any other information that may assist the Commission in making their decision.

The Commission will consider whether the proposed reduction will impair the Service's ability to provide adequate and effective police services that meet the needs of the community, and whether the terminated members of the police service will be dealt with in a fair and reasonable basis as it relates to settlements, severance terms, or agreed upon arbitration. The Commission also has the authority to order the matter to arbitration. The Commission will ask questions to assure itself that the local bodies have approached their decision to request a reduction in a

manner that has allowed for public input into that decision. Upon receiving all of the noted information the Commission will issue a written decision.

Conclusion:

Court Services fulfils a critical operational and legislative requirement for the Service. Court Services provides an effective, efficient and economical service that manages all areas of court security, prisoner care and transport. Court officers directly support the front line function by managing the continued detention of prisoners and by assisting in the processing of Service matters through the court system.

The complexities of the duties, responsibilities and functions performed within Court Services are deeply embedded in the service delivery model of the Toronto Police Service. Court Services and court officers fulfill a critical operational role that impacts all areas of the Service and it is necessary to weigh the underlying risks and liability, including legislated responsibilities, business and judicial processes, external partnerships, contracts and memorandums of understanding, privacy rights, confidential databases, and collective agreements, when considering alternative service delivery models. Without more detailed research, it is unclear if it could be possible to successfully separate these functions from the Service and privatize them or transfer them to the City of Toronto Corporate Security.

Deputy Chief Mike Federico, Operational Support Command, will be in attendance to answer any questions the Board may have regarding this report.

Mr. Kris Langenfeld was in attendance and delivered a deputation to the Board about the foregoing matter. A copy of Mr. Langenfeld's written submission is on file in the Board office.

The Board approved the following motions:

- 1. THAT the Board receive the deputation by Mr. Langenfeld;**
- 2. THAT the Board receive the forging report;**
- 3. THAT the Board forward the report to the City and, in so doing, advise that the Board has received the Chief's report for information and will be reviewing the outsourcing of court security after it receives KPMG's Comprehensive Organization Review report; and**
- 4. THAT the Board refer the foregoing report to KPMG to assess as part of its review.**

Moved by: M. Thompson

Appendix 'A'

4. The *City of Toronto Act* (Sec 103) outlines requirements for conveyance of prisoners. The Toronto Police Service provides this service for the City.

City of Toronto Act, 2006 R.S.O. 2006, CHAPTER 11, Schedule A, Conveyance of prisoners

103. If the attendance of a prisoner in a correctional institution is required at a hearing or proceeding and if the City was responsible for delivering the prisoner to the correctional institution, the City is responsible for conveying the prisoner from the correctional institution to the place of the hearing or proceeding and for the prisoner's return. 2006, c. 11, Sched. A, s. 103.

5. Toronto Police Service Court Officers enforce Section 136(1.) of the *Court Security Act*.

Courts of Justice Act R.S.O. 1990, CHAPTER C.43

Prohibition against photography, etc., at court hearing

136.(1) Subject to subsections (2) and (3), no person shall,

- (a) take or attempt to take a photograph, motion picture, audio recording or other record capable of producing visual or aural representations by electronic means or otherwise,
 - (i) at a court hearing,
 - (ii) of any person entering or leaving the room in which a court hearing is to be or has been convened, or
 - (iii) of any person in the building in which a court hearing is to be or has been convened where there is reasonable ground for believing that the person is there for the purpose of attending or leaving the hearing;

6. The *Public Works Protection Act* provides authority for the Chief to appoint guards to protect a public work. Court facilities in Toronto are considered a "public work." The Act confers peace officer powers on appointed guards. Guards may search anyone entering a public work.

Public Works Protection Act R.S.O. 1990, CHAPTER P.55

Guards, appointment

2. (1) For the purpose of protecting a public work, guards may be appointed by,

- (a) the Solicitor General;
- (b) the Commissioner of the Ontario Provincial Police Force;
- (c) any inspector of the Ontario Provincial Police Force;
- (d) the head or deputy head of the municipal council or the chief of police of the municipality in which the public work is located, or the person acting in the place or stead of the head or deputy head;
- (e) the chair or other person who is the head of a board, commission or other body owning or having charge of the public work, or the person acting in the place or stead of the chair or other person.

Powers of guard

- (2) Every person appointed as a guard under this section has for the purposes of this Act the powers of a peace officer.

Powers of guard or peace officer

3. A guard or peace officer,

- (a) may require any person entering or attempting to enter any public work or any approach thereto to furnish his or her name and address, to identify himself or herself and to state the purpose for which he or she desires to enter the public work, in writing or otherwise;
- (b) may search, without warrant, any person entering or attempting to enter a public work or a vehicle in the charge or under the control of any such person or which has recently been or is suspected of having been in the charge or under the control of any such person or in which any such person is a passenger; and
- (c) may refuse permission to any person to enter a public work and use such force as is necessary to prevent any such person from so entering. R.S.O. 1990, c. P.55, s. 3.

Arrest

- (2) A guard or peace officer may arrest, without warrant, any person who neglects or refuses to comply with a request or direction of a guard or peace officer, or who is found upon or attempting to enter a public work without lawful authority. R.S.O. 1990, c. P.55, s. 5.

7. Toronto Police Service Court Officers enforce the *Trespass to Property Act* as “Occupiers”.

Trespass to Property Act, R.S.O. 1990, CHAPTER T.21

Definitions

1. (1) In this Act, “occupier” includes,

- (a) a person who is in physical possession of premises, or
- (b) a person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises, even if there is more than one occupier of the same premises; (“occupant”)

Arrest without warrant on premises

9. (1) A police officer, or the occupier of premises, or a person authorized by the occupier may arrest without warrant any person he or she believes on reasonable and probable grounds to be on the premises in contravention of section 2. R.S.O. 1990, c. T.21, s. 9 (1).

APPENDIX “B”

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON SEPTEMBER 11, 2014

#P202. RESPONSE TO THE CITY OF TORONTO – FEASIBILITY OF, AND FINANCIAL IMPLICATIONS ARISING FROM, OUTSOURCING PARKING ENFORCEMENT

The Board was in receipt of the following report August 12, 2014 from William Blair, Chief of Police:

Subject: THE FEASIBILITY OF AND THE FINANCIAL IMPLICATIONS ARISING FROM OUTSOURCING PARKING ENFORCEMENT

Recommendations:

It is recommended that:

- (1) the Board receive this report for information; and
- (2) the Board forward a copy of this report to the Deputy City Manager and Chief Financial Officer, City of Toronto, for information.

Financial Implications:

Any financial implications contained within this report are based on untested assumptions considering the multiple factors detailed within. Outsourcing and change might impact costs to the Toronto Police Service (Service) and City revenue. Should an alternative business model be considered, a complete cost analysis would be required in comparison with anticipated benefits. Based on the assumptions contained within this report, there are negative financial implications resulting from existing collective bargaining agreements. The associated staffing related costs are estimated to be \$0.3 Million (M) to \$0.9M in onetime costs for severance packages of those civilian members who have less than two years of service plus one civilian senior officer (currently 57) since only those with less than two years of service plus civilian senior officers can be laid-off. In addition, the Service would still be financially obligated for the remaining 340 staff and their associated salary and benefit budget of \$28.9M per year until such time as all have been reassigned, retired, or been placed in other positions. These costs are separate from, and additional to, the costs associated to outsourcing.

Background/Purpose:

At its meeting of January 16, 2014, the Board considered a Request for a Report – Response to City Motions Pertaining to Court Security, Parking Enforcement and Paid Duties (Min. No. P7/14 refers).

Staff report for information on feasibility of, and financial implications arising from, outsourcing Court Security and Parking Enforcement.

The Board approved that report and requested a report from the Chief of Police to include information on the feasibility of and the financial implications arising from the outsourcing of parking enforcement.

Outsourcing parking enforcement has been the topic of several past reviews. Those reports consistently recommended that parking enforcement remain with the Service. The following previous reviews are noted:

- **2002:** The City Chief Administrative Officer reported to the City Policy and Finance Committee on options of consolidating the entire Parking Enforcement Unit (PEU) operation into a City department or agency or maintaining the status quo. A highly exhaustive review of the entire parking program supported retaining the PEU within the Service on the basis that any benefits anticipated through other options must clearly outweigh the costs and risks to revenue. This was in response to City motions from 1998 and 2001.
- **2005:** The Chief of Police responded to a recommendation of the City Budget Advisory Committee to transfer on-street meter pay-and-display to the Toronto Parking Authority. The transfer was not recommended citing impact to policing operations and administration of the parking enforcement program.
- **2006:** The City Manager provided a Briefing Note in response to a motion in the 2005 City budget process, not recommending transfer of pay-and-display parking enforcement based on financial impact, community impact and risk associated with untested projections.

Discussion:

As the fourth largest city in North America, congestion and gridlock play a significant role in the vitality of the City of Toronto. Coordinated and strategic traffic enforcement by the Service is critical in addressing gridlock. The PEU forms an integrated component of the Service's strategy to achieve the pedestrian, cyclist, and driver safety goals as outlined in the Service's 2014-2016 Business Plan. The enforcement of parking bylaws supports the safe and efficient flow of traffic for all users of Toronto's roadways, the turnover of parking to support local businesses, compliance with the City's parking initiatives, and it responds to the parking concerns of the community. The present model of enforcement has evolved over forty years from one often performed by police officers to one carried out by civilian personnel. The current model of having both parking and traffic enforcement units within the Service provides an integrated and accountable approach to address gridlock and community parking concerns. The practice of utilizing uniformed civilian parking enforcement officers (PEOs) operating in a police oversight model instead of police officers is a trend in municipalities.

Although overseen and administered by the Service, the PEU budget is separate from the Service's operational budget and is reported separately to the City. Enforcement levels are closely monitored to ensure ticket issuance and the associated revenue projections align with annual City budgeting expectations.

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This report will address the potential benefits and issues associated with outsourcing parking enforcement services. Previous models considered moving the entire operation, or a portion of the operation (permitted pay and display parking), to another City department. Some might ask if it is feasible to outsource only the on-street parking enforcement (parking ticket issuance). However, because the PEU provides other integrated value-added services discussed later in this report, extrication of one element of the PEU portfolio would be complicated and the benefit of doing so difficult to assess. Furthermore, without knowing the specific criteria and the program details surrounding a privatized model this report cannot provide a full cost benefit analysis.

Outsourcing is anticipated to have an overall positive financial outcome based on the assumption that salaries and benefits, which are the largest component of the operating budget, will be lower. However, this assumption must be carefully weighed against the financial impact of the collective agreement on labour relations, the potential loss of revenue through the implementation of an untested model, and the potential negative impact to overall police operations and risk management.

Policing Operations Impact

The Service's current model of parking enforcement provides operational support to front line policing. Some of the other services the PEU performs include:

- Stolen and wanted vehicle recoveries, including operation of the stolen vehicle recovery camera cars ("Street Sweepers"). The PEU recovers over 40% of stolen vehicles recovered in Toronto.
- Response to parking enforcement calls for service from the community (142,000 calls responded to in 2013).
- Special event management and posting of emergency no-parking signs for parades and special events.
- Relocation of vehicles for special events, snow removal operations, TTC track obstructions, City tree trimming operations, and other emergency situations.
- Parent Safety - Safe School Parking Program.
- Investigation and enforcement of disabled parking permit abuse (800 permits seized, 140 cautions issued and over 300 *Highway Traffic Act* charges laid in 2013).
- Parking Area Supervisor Community Outreach Program for special consideration in support of various requests from councillors and City agencies, businesses, neighbourhood associations, and places of religious observance.
- Management and oversight of the Municipal Law Enforcement Private Property Parking Program.
- Ability to mobilize over 300 uniformed civilian personnel in the event of an emergency (e.g. floods, blackouts, ice storm).
- Supporting Service programs, special projects and initiatives (e.g. traffic safety campaigns).
- Sharing parking ticket data intelligence with various units and policing agencies to support investigations.

- Complaint management and risk management oversight.
- Language interpretation assistance to police investigations.
- Management and oversight of towing contracts.
- The provision of Service wide training and service delivery standards.

Consequently, if PEU were outsourced, the Service would have to reduce service, maintain a contingent of PEOs or replace them with police officer.

Towing Contracts and Services

Towing services and how effectively they are managed has a direct impact on the safe and efficient flow of traffic. Towing and impound services are provided by towing companies contracted by the Board and the services are shared between the PEU and other TPS units. However, most towing under the Board's contract is the result of parking enforcement performed by the PEU and if the Service is no longer responsible for parking enforcement the number of tows conducted by the Service would decrease. Since the Service collects fees to cover the costs for the oversight of contract towing, which includes monitoring the towing fees paid by the public when they retrieve their vehicles from the pound, it can be expected that there would be a corresponding reduction in this revenue. Currently, the Service budgets \$695,000 in revenue to cover the costs of staff (1 Sgt, 4 PCs, 1 clerk) and overhead (5 vehicles, and equipment and supplies) assigned to manage the program.

Under an outsourced model, the Service will have to reconfigure access to its Vehicle Impound System, so that the private company can input and retrieve data in order to locate towed and impounded cars. The Service has not been able to calculate the associated costs at this time but without the modification it would be difficult for the public to locate their car when it is towed.

Municipal Law Enforcement Program

The PEU oversees the Municipal Law Enforcement Officer (MLEO) program involving contracted private parking enforcement agencies (PPEAs) under specific provisions of the Toronto Municipal Code. This program allows private property owners to enforce parking rules on their own properties. This ensures that Toronto Police parking enforcement officers are dedicated to their primary mandate of enforcing on-street parking by-laws. Currently 100% of MLEO parking ticket revenue goes to the City. Considering that MLEOs issue approximately 175,000 tickets per year, generating more than \$5 million in revenues, this program is cost effective.

MLEO agencies generate income by charging property owners a fee for service but the Chief is responsible for this program under the Toronto Municipal Code. The management and oversight of the program includes training, certification, decertification, site inspection, legal indemnification, risk management and complaint intake and management. Furthermore, private property parking enforcement requires specialized knowledge of case law and the legal framework affecting various private property issues all of which are distinct from on-street parking enforcement. The risks include a potential for corruption, high error rates leading to

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ticket cancellations, high towing refund costs and escalated court challenges. That is why the Service oversees the program.

If the Service retains responsibility for this program, it should be considered a cost against potential savings from outsourcing. Oversight of this program requires that the existing controls remain in place otherwise private property enforcement could revert back to the problems of “common-law” enforcement which had no consumer protection and put City parking ticket revenue at risk.

Strategic Relationships

In addition to the liaison with City councillors, the PEU maintains partnerships with key City staff at all levels to ensure that the activities of the PEU are coordinated with the common goals of the Service and the City. These partnerships include Transportation Services, Revenue Services, Court Services, Toronto Parking Authority and the City Legal Division.

The PEU is a trusted partner and is always invited to the table in the early stages of projects to ensure operational coordination and strategic policy direction from an enforcement perspective. Projects such as the Downtown Transportation Operations Study, Congestion Management Study, Habitual Offender Towing, Bylaw Consolidation, Court Attendance Management Strategy, Courier and Delivery Vehicle Parking Permits, Parking Considerations, Rush Hour Enforcement Strategy and the implementation of Temporary Parking Permits would not have achieved the same level of success or effectiveness without the participation of the PEU as an active project partner. Maintaining these cohesive relationships manages risk so consideration must be given to establishing the same collaborative relationships with an outsourced provider.

Another issue for consideration is whether an outsourced provider is entitled to City Legal representation or advice as many situations require that City Legal assist in risk assessment and decision making.

Integrity in Enforcement

The PEU has an arms-length relationship with the City through the Chief of Police who ultimately reports to the Board. The PEU has been recently and successfully audited for integrity and efficiency. Outsourcing would appear to move the operation into a different relationship that may not have the same level of control, transparency or accountability.

Risks must be managed to prevent corruption, unethical or overzealous enforcement practices, and issues that affect the public trust, especially when parking enforcement generates \$90M in revenue on an annual basis. As was experienced when integrity issues were encountered with private property enforcement in the 1990’s, the Service and the City became overburdened with public complaints. This was resolved when the PEU and the City worked in partnership to create program enhancements and necessary bylaw amendments that allowed for strict governance and oversight.

This experience shows that effective oversight, investigation, and risk management are required to maintain integrity and compliance to a level that satisfies the Auditor General. The Service’s ongoing role to investigate officer conduct and towing disputes, as well as provide risk management oversight is mandatory in order to support overall community trust and program integrity. There is risk to the reputation of the Service if there are concerns of inadequate governance, professional standards, enforcement practices or dissatisfaction with the dispute resolution process, since the public perceives that the Service is responsible for law enforcement.

Experiences in Other Jurisdictions

A comparison of enforcement models across the United States and Canada indicates that the responsibility for parking enforcement is primarily assigned to policing units comprised of uniformed civilian staff or by city departments. Seven of the ten jurisdictions reviewed, including New York City and Montreal, were found to have policing units and city departments directly responsible for the enforcement of parking regulations. Three jurisdictions utilized a form of outsourced private companies for their parking enforcement needs. Large cities such as Chicago and New York have experienced challenges in the outsourcing of their parking enforcement that have resulted in returning it to police oversight or lengthy and costly legal challenges.

Canadian Enforcement Model Comparisons				
City	Population	# Tags Issued	Responsibility	Comments
Toronto	2,791,140	2.6M	Police Unit	
Montreal	1,649,519	1.2M	Police Unit	
Vancouver	603,502	330,000	City	
Calgary	1,096,833	275,000	City Agency/Private	Parking Enforcement managed by the Calgary Parking Authority and enforcement contracted to The Canadian Corps of Commissionaires.
Edmonton	812,201	150,000	City/Private	Parking Enforcement managed by the City of Edmonton and enforcement contracted to Paladin Security.
Ottawa	883,391	370,000	City	

USA Enforcement Model Comparisons				
City	Population	# Tags Issued	Responsibility	Comments
New York City	8,336,697	10M	Police Unit/City	
Los Angeles	3,792,621	2.65M	City	
Chicago	2,714,856	2.5M	Private/Police Unit	Enforcement of Parking Meters is the responsibility of Chicago Parking Meters LLC which contracts out enforcement of meters to LAZ Parking. Policing staff enforce all other infractions.
Houston	2,160,821	200,000	City	
Philadelphia	1,547,607	1.6M	City Agency	Parking Enforcement managed by the Philadelphia Parking Authority.

In 2008, the City of Chicago, Illinois, leased the rights to its 36,000 on street parking meters to private investors for seventy-five years for \$1.3 billion. In this arrangement, Chicago Parking Meters LLC receives all revenue from the parking meters and is responsible for the maintenance and replacement of its infrastructure. Enforcement of the parking meters is the responsibility of Chicago Parking Meters LLC who outsources it to LAZ Parking, a large national parking management services company. The City of Chicago receives all the revenue from the fines. Police staff are responsible for enforcing all other parking regulations. With this change, the cost of parking and the intensity of enforcement at parking meters increased concerns from the local business and neighbourhood improvement associations creating a public relation issue for the City.

In 2008, the City of Montreal, Quebec, transferred responsibility of its parking enforcement section to the Montreal Police Service. A previous systemic issue of parking fraud that resulted in the termination of ten parking enforcement managers and the suspension of dozens of parking enforcement agents contributed to this transfer. Efficiencies in operations, structure, control, and an increase in ticket issuance has been realized since the transfer to the police service.

In 1998, the City of New York, New York, transferred the responsibility of parking enforcement from the Parking Violations Bureau to the New York City Police Department. Issues of corruption and political influence were prominent when parking enforcement was managed by the city. New York City recently reviewed the privatization of its on street parking system and decided against it as they were not able to demonstrate that outsourcing would significantly improve the city's financial and operational performance.

In 2002, the City of Toronto Chief Administrative Officer conducted a review and prepared a report that compared Toronto's parking enforcement program to the enforcement models of other jurisdictions. This report concluded that the Toronto Police Service, Parking Enforcement Unit compares favourably with other cities, particularly Canadian cities, in consideration of the number of tags issued per officer, costs per tag, and collection rates.

Labour Relations Issues, Human Resources and Financial Implications

The 2014 Toronto Police Parking Enforcement net operating budget is \$44.6M. Salaries and benefits for the current complement of 8 uniform and 386 civilian staff is \$33.7M. The current PEO salary range based on collective bargaining is \$28.60/hour to \$31.81/hour (\$59,733.50 to \$65,105.93 per year, based on 80 work hours biweekly). This is noticeably less than a City of Toronto Municipal Standards Officer, Level 1, working in Bylaw/Law Enforcement, whose salary range is \$36.04 to \$39.48 per hour (\$65,592.80 to \$71,853.60 per year, based on 70 work hours biweekly).

Parking Enforcement Officers are members of the Toronto Police Service so they have no right to strike or commence a labour action. This ensures that there is no disruption to parking enforcement services. It is not known if similar conditions will apply to an outsourced service.

Prior to contracting out parking enforcement, the Service will have to resolve the legal obligations contained within the negotiated articles of both the Unit "A" and Unit "C" Collective Agreements. These include language that prevents the Board from laying off or terminating a member of either unit with more than two years' service for any work that they perform which is contracted out. The section reads:

Article 21 - Technological Change

21:01 It is the policy of the Board to endeavour to place in other positions any permanent service members who may be displaced by technological improvements in the operation of the Service or by the contracting out of any services now performed by the members represented by the Association. Should the Board decide to contract out any work now performed by members coming within the bargaining unit, no such member with at least two years of permanent service with the Service will be laid off or have his/her employment terminated by reason thereof.

Parking Enforcement currently has 56 parking enforcement staff with less than two years of permanent service. As there is not a similar article in the civilian Senior Officers Collective Agreement, the one civilian senior officer in the Unit could also be laid-off bringing the total to 57. Although, the *Employment Standards Act* stipulates notice and severance requirements, these should be considered the minimum requirements because under common law one may be entitled to approximately four times the stipulated amount through litigation efforts. At this time, severance costs are estimated to be between \$0.3M to \$0.9M.

That would still leave 337 members in Parking Enforcement and their associated salary benefit budget of \$28.9M. At this time it is not known how many of the remaining staff could be placed into other positions within the Service. Currently, there are not enough vacancies to allow the Service to absorb all of the staff that would be affected. It is also unknown whether existing staff have the skills that would allow for transferability to other positions within the Service. Skills testing and assessment of these members would be required to assist in identifying placements which would put increased demand on other Service units and members.

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The financial obligations for the staff that cannot be immediately placed may continue for several years into the future. Even the most optimistic estimate suggests that it would take up to ten years before all of the staff would be fully placed.

Section 40 of the Police Services Act – Reference to the Ontario Civilian Police Commission

Once a formal plan is in place to resolve the Collective Agreement issues, the Board will have to obtain the approval of the Ontario Civilian Police Commission (Commission) in order to reduce the size of the Service pursuant to Section 40 of the Police Services Act (PSA).

The Service would be required to forward to the Commission a copy of the Board's resolution indicating a desire to reduce the size of the Police Service, a description of how it is to be achieved, an outline of the process followed by the local authorities to obtain public input on the proposal and any other information that may assist the Commission in making their decision.

The Commission will consider whether the proposed reduction will impair the Service's ability to provide adequate and effective police services that meet the needs of the community, and whether the terminated members of the police service will be dealt with in a fair and reasonable basis as it relates to settlements, severance terms, or agreed upon arbitration. The Commission also has the authority to order the matter to arbitration. The Commission will ask questions to assure itself that the local bodies have approached their decision to request a reduction in a manner that has allowed for public input into that decision. Upon receiving all of the noted information the Commission will issue a written decision.

Information Technology Infrastructure

Taking over the physical component of writing parking tickets from an organization that issues 2.6M tickets per year is not a minor undertaking. The support framework to carry out this function is a feature that must be accounted for in an outsourced model. A comprehensive and detailed assessment on the planning, methodology and timing of the transfer and development of IT infrastructure addressing any interface issues would be required. A life cycle replacement plan for hand held devices and associated systems should also be considered. This will require concerted effort of an outsourced service provider in consultation with City and police staff and will add costs to the operation of an outsourced service provider.

Although an outsourced service provider could utilize hand held technology, certain components of the technology would be unavailable, reducing the efficiency of an outsourced company. For example, in the current model, each time a parking tag is issued the licence plate is queried against stolen vehicle information from the Canadian Police Information Centre (CPIC) and a list of vehicles wanted by police. Access to CPIC and police systems will be disabled for any non-police agency.

Projects such as the recently released Habitual Offender Towing Initiative, permit parking programs, and new projects on the horizon, rely upon electronic enforcement. An outsourced provider should be expected, then, to develop and manage their own systems connected to the

City's IT network. A requirement would be to build systems that satisfy City ITS standards in continuous operation while ensuring accuracy, auditability and privacy of data. This must be carefully managed to ensure risk to revenue is not at stake and to ensure that the enforcement of the City's transportation initiatives that are dependent on rapid data transfer, are not compromised. It has been the experience of the PEU when involved in projects of this type that a high level of expertise is required due to the scale of IT solutions required in a City of this size.

Service Delivery Standards and Training

Delivery of service standards for the current PEU complies with all statutes, bylaws and regulations. An outsourced operation would be expected to maintain those standards. It will require effective governance through the development of policies and procedures and will require training to support professional service delivery. This could be accomplished by the Service creating and providing training on these standards on a cost recovery basis or by developing an alternative training model. Service delivery standards would also need to be in place to include performance management systems that satisfy the Auditor General's ongoing reviews of the City's Parking Ticket Operations Division.

Transition Challenges

The timeline to achieve an outsourced operation must take into account continuity of program delivery and City revenue. There is an anticipated learning curve for the outsourced staff while they become familiar with the complexities of enforcement in Toronto and this has the potential to increase ticket error and cancellation rates. The transition process could, therefore, place a strain upon police resources in the event of interruptions or deficiencies in the service delivery.

Conclusion:

The efficient and safe movement of traffic and response to the parking concerns of the community is a core responsibility of the Service and the PEU is instrumental in achieving that mandate. It is also understood that the City has a responsibility to ensure that services are delivered in the most cost effective way possible. Since human resource costs tend to be the largest single component of the operating budget, some municipalities have outsourced parking enforcement services in anticipation of savings.

This report outlined several factors that need to be considered when weighing the existing model's efficiencies against the potential risks and rewards of an outsourced alternative. As a result, without more study, the Service is unclear what, if any, benefits can be realized through outsourcing parking enforcement.

Deputy Chief Mike Federico, Operational Support Command, will be in attendance to answer any questions the Board may have regarding this report.

Mr. Kris Langenfeld was in attendance and delivered a deputation to the Board about the foregoing matter. A copy of Mr. Langenfeld's written submission is on file in the Board office.

The Board approved the following motions:

- 1. THAT the Board receive the deputation by Mr. Langenfeld;**
- 2. THAT the Board receive the forging report;**
- 3. THAT the Board forward the report to the City and, in so doing, advise that the Board has received the Chief's report for information and will be reviewing the outsourcing of parking enforcement after it receives KPMG's Comprehensive Organization Review report; and**
- 4. THAT the Board refer the foregoing report to KPMG to assess as part of its review.**

Moved by: M. Thompson