

Public Accounts Committee to consider Audit Office Report on fine enforcement

Mr Kieran Donnelly, Comptroller and Auditor General (C&AG), has issued a report to the Assembly on the results of his audit of the Northern Ireland Courts and Tribunals Service (NICTS) Trust Statement (“the Trust Statement”) 2012-13. The Trust Statement records the collection of fines and other financial penalties imposed by the Judiciary, the Police Service of Northern Ireland (PSNI) and the Driver and Vehicle Agency (DVA).

Mr Donnelly said, “While the majority of fines are paid promptly, dealing with those who fail to pay on time is a significant challenge for the justice system. The value of outstanding warrants at 31 March 2013 was £8.2 million and NICTS has estimated that over 60 per cent of this will not be recovered¹. This debt has accumulated over a number of years and the current system for collection is neither effective nor efficient and is vulnerable to fraud and error. During 2012-13, PSNI identified a significant suspected fraud in this area.”

Five Judicial Reviews in March 2013 raised concerns over the issue of warrants to recover the debt. The Divisional Court found that the long established practice of automatically issuing a warrant when a fine was not paid was inappropriate and that there should first be a default hearing to allow the defendant to explain why payment was not made. As a result of this ruling, the issue of all new warrants was suspended and all outstanding warrants, 36,000 in total, were recalled.

Mr Donnelly has qualified his audit opinion on the financial statements as the Judicial Reviews have created substantial uncertainty concerning the enforcement and recoverability of fines and outstanding warrants.

The expenditure associated with the enforcement and collection of fines is substantial. PSNI has estimated that, under the system prior to the introduction of default hearings, it cost £3 million of Police Officer time per annum. The Department of Justice’s Fine Collection and Enforcement Programme Board has acknowledged that fine enforcement is not a good use of policing resources. Before 2013, around one third of prison receptions each year related to defaulters who had been sent to prison as a way of executing their warrant, putting pressure on the Northern Ireland Prison Service. Legislation is currently being drafted to introduce a Fine Collection and Enforcement Service to replace police-led enforcement. This should largely remove the PSNI from the fine collection process and significantly reduce the number of people being sent to prison for fine default.

The Northern Ireland Assembly Public Accounts Committee will take evidence on the current system of fine collection and enforcement on Wednesday 22 October 2014.

Notes to Editor

1. NICTS has estimated that £5.1 million of outstanding warrants will not be recovered. £1.1 million of this balance relates to paper warrants which have been identified as missing by PSNI.
2. Financial penalties include fixed penalty fines, court imposed monetary penalties and confiscation orders. The majority of revenue collected is paid to the Northern Ireland Consolidated Fund after deduction of some allowable costs incurred in collecting certain fixed penalties. Revenue collected in the form of compensation and other costs awarded in court are paid to the relevant third party. Fines can be cleared in a number of ways including settlement in full, payment by instalments, clearance through an appeals process, serving a prison term or a decision of the court.
3. A warrant is a legal instrument issued by a court authorising an officer to carry a judgment into action. Prior to the suspension of warrants in March 2013, fines not paid by their due date were passed to the NICTS Fine Collection Scheme Office and if the follow up process was unsuccessful a warrant would issue.
4. The Comptroller and Auditor General is Head of the Northern Ireland Audit Office (the Audit Office). He and the NIAO are totally independent of Government. He certifies the accounts of Government Departments and a range of other public sector bodies. He has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and public bodies use their resources. His reports are published as Assembly papers.
5. The report relevant to this Press Release is attached and is published with the 2012-13 NICTS Trust Statement which can be obtained from the NICTS website at <http://www.courtsni.gov.uk/en-GB/Publications/Accounts/Pages/default.aspx> from 17 October 2014.
6. Background briefing can be obtained from the Northern Ireland Audit Office by contacting Suzanne Walsh (028 90251021) or Barry Mitchell (028 90251072).