

OPP Municipal Policing Billing Review Overview

Overview:

- The Ontario Provincial Police (OPP) has dedicated responsibilities under the Ontario *Police Services Act (PSA)*.
- One of these responsibilities is the provision of police services to municipalities that do not have a municipal police service or choose to contract with the OPP for police services.
 - The OPP currently provides policing services to 324 municipalities (153 on contract and 171 on a non-contract basis) on a cost-recovery basis.
 - The delivery of police services by the OPP to these municipalities is undertaken as per Section 5.1 (non-contract) or Section 10 (contract) of the *PSA*.
- The OPP polices municipalities to the standards set out in the *Adequacy and Effectiveness of Police Services* regulation.
- Under the *PSA*, municipalities are responsible for the costs incurred by the OPP in delivering these police services. The OPP recovers costs from contract and non-contract municipalities as per the legislation (*PSA*).
- On average, OPP costs compare favourably to other municipal police services: \$334 OPP / household in 2011.
- OPP-policed municipalities have expressed a high level of satisfaction with the policing services they receive.

Rationale for change:

- Municipal policing costs have become an important issue for municipalities. Concerns have been raised about the variance in per household policing costs among municipalities under the OPP's current billing model.
- Other concerns include the complexity of current billing model and the need for increased transparency.
- The 2012 Auditor General's Report directed the OPP to simplify and make more transparent its cost-recovery process for municipal police services. Furthermore, the OPP were requested to address the issue of municipalities paying different rates for OPP policing services.
- The Minister made a commitment at the 2012 and 2013 Association of Municipalities of Ontario (AMO) Conference to review the OPP billing model.
- OPP/MCSCS have been working on the principles of the new billing model since March 2013.

Proposed New Billing Model:

- The new model is based on principles of fairness and transparency. These are principles our municipal partners have consistently told us are most important to them.
- The OPP selected 65 municipalities at random and requested they provide feedback on the current cost-recovery method employed by the Ministry. These municipalities were a mixture of Section 5.1 and Section 10 locations. There were 7 meetings held across the province between April and May 2013, with participation from 48 municipalities.
- Following the meetings, the OPP conducted a survey among all 324 municipalities that receive OPP policing. The objectives of the survey were to seek input in on the criteria for billing reform and identify preferred municipal billing concepts. The municipalities were provided 4 options with respect to billing, and were asked to rank them in their order of preference. The results were as follows:

1. The OPP calculates municipal policing bills using a “base” amount + a charge for service calls.
 2. Cost recovery for OPP municipal policing services does not change.
 3. The OPP calculates municipal policing bills based on the municipalities’ total property assessment.
 4. All municipalities pay an equal amount.
- At the 2013 AMO Conference, the Minister of Community Safety and Correctional Services made a commitment to further engage municipalities to obtain their feedback on a proposed new billing model and discuss next steps.
 - The new billing model divides policing costs into two categories, Base Service Level and Calls for Service.
 - All municipalities should pay their equitable share of essential “base level” policing services (approximately 73% of total OPP municipal policing costs). These base level services include supervisory positions, administrative positions as well as a portion of frontline proactive policing duties such as patrol, RIDE and crime prevention. All municipalities benefit from these base level services and should pay their equitable share of the cost associated with these services.
 - Calls for service (approximately 27%) are one of the primary cost drivers in policing. Under the new billing process municipalities will pay the cost of their reactive calls for service based on the number and type of calls.
 - Municipalities requesting contract enhancements, i.e. additional dedicated officers or staff, are charged the additional cost of providing these.

Moratorium and Engagement:

- The OPP have announced a moratorium on contract renewals/ negotiations.

- Municipalities with contracts that expire before January 1, 2015 have two options:
 1. They can enter into an Amending Agreement extending their current contract until December 31st 2014, to continue to receive OPP policing (using the most recent cost-recovery formula); or,
 2. They can transition their municipality to a 5.1 policing arrangement under the PSA which includes the most current cost-recovery formula.
- The delivery of policing services in the community will not be negatively impacted, regardless of the selection made by the municipality. The OPP values its contract relationship with all municipalities and will assist each community through this period of change.
- The OPP and MCSCS have invited representatives from municipalities receiving their policing services from the OPP to local engagement sessions on the proposed new billing model. Municipalities will have an opportunity to provide feedback on the new model and phasing-in options.

Cost Impacts:

- In 2015, the average per household policing cost under the new model is estimated to be \$369 (Base Service Level of (approx. \$260) + Calls for Service).
- Municipalities currently lower than \$300 per household will generally see an increase; municipalities currently higher than \$400 per household will generally see a decrease.

Summary:

- The government is proposing a new process to bill municipalities for OPP policing services.

- The proposed billing model is based on the principles of fairness and transparency.
- The model ensures all communities share in the cost of infrastructure, supervision, administration and front-line policing necessary to be available to respond to calls for service and provide adequate proactive policing.
- It enhances the transparency for municipalities as bills will include timely information about types and volume of calls for service driving their costs, allowing them to better tailor crime reduction strategies prevention.
- There will be greater budgeting certainty for municipalities:
- A new billing model should address the 2012 Auditor General's report directing the OPP to simplify, make more transparent and address issues in its costing and billing methods that result in municipalities paying different rates.
- The billing review will not affect the overall cost of policing; rather it addresses how costs are distributed across OPP-policed municipalities. MCSCS is currently undertaking a range of activities designed to consider the long-term sustainability of policing.