

All fines are processed and enforced correctly and on time

The SDRO division of OSR is responsible for the effective processing and correct enforcement of fines. SDRO has released its review guidelines online and developed a number of community education initiatives aimed at reducing the incidence of people re-offending as set out in priority R2 of the NSW State Plan.

Penalty notice processing and fine enforcement

SDRO provides a centralised processing service for all penalty notices issued by NSW Police Force and the Roads and Traffic Authority (RTA) for red light and speed camera detected offences. It also processes penalty notices on a fee for service basis for over 230 other agencies including local government, universities, semi-government bodies and other government departments. Another key SDRO role is the notification of offences incurring demerit points to the RTA so that driving records can be updated.

During the year, SDRO processed 2.9 million penalty notices with a face value of \$453.7 million, of which some 1.2 million offences carried demerit points. This represented an increase of 24 per cent in the number of Crown penalty notices processed, primarily resulting from the expansion of the speed camera program under the RTA.

When a penalty notice is not paid within the time limit allowed, SDRO issues an enforcement order. During the year, we issued 823 951 enforcement orders with a total face value of \$243.7 million.

In 2007/08, SDRO collected \$465.4 million from penalty notices and enforcement orders. We collected \$277.1 million on behalf of the Crown and an additional \$188.3 million on behalf of our commercial clients. SDRO received \$27.6 million in fees and miscellaneous revenue from commercial clients for whom we process penalty notices.

At the end of 2007–08, there were 40 889 active payment arrangements in place covering 248 455 enforcement orders valued at \$103.6 million.

Number and face value of penalty notices between 1 July 2003 and 30 June 2008

Financial year	Commercial		Crown		Total number of penalty notices	Total face value \$m
	Number of penalty notices	Face value \$m	Number of penalty notices	Face value \$m		
2003–04	1 431 280	151.4	1 348 005	240.1	2 779 285	391.5
2004–05	1 364 858	155.6	1 145 085	208.5	2 509 943	364.1
2005–06	1 441 545	177.0	1 043 584	192.0	2 485 129	368.9
2006–07	1 492 308	182.2	1 121 736	215.7	2 614 044	397.9
2007–08	1 501 837	187.9	1 387 433	265.8	2 889 270	453.7
Total	7 231 828	854.1	6 045 843	1 122.1	13 277 671	1 976.1

Number and face value of penalty notices for 2007–08 by client category and infringement type

Client category	Infringement type	Number of penalty notices	Value \$m
Crown	Red light camera	36 644	11.6
	Police speed camera	20 177	2.4
	RTA static speed camera	678 163	79.8
	RTA bus/TWay camera	11 862	2.8
	Police traffic	550 209	140.7
	Police other	75 854	13.9
	Failure to nominate	14 524	14.6
Crown total		1 387 433	265.8
Commercial	Client agencies	1 501 837	187.9
Grand total		2 889 270	453.7

Number and face value of speed camera offences for 2007–08

Infringement type	School zone speeding offence		Other camera detected speeding offences		Total number of penalty notices	Total value \$m
	Number of penalty notices	Value \$m	Number of penalty notices	Value \$m		
Police speed camera	850	0.2	19 327	2.2	20 177	2.4
RTA static speed camera	192 717	30.5	485 446	49.3	678 163	79.8
Grand total	193 567	30.7	504 773	51.5	698 340	82.2

Number and face value of criminal infringement notices offences for 2007–08

	Criminal infringement notice offences	
	Number of CINs	Value \$m
Grand total	6 419	1.4

Outstanding fines written off

In accordance with Section 101 of the *Fines Act 1996* and under delegation from the Treasurer, the Director, SDRO, can write-off fines which are considered uncollectable or if extenuating circumstances justify such a decision; for example, severe financial hardship or illness.

During the year, 243 885 enforcement orders were written off totalling \$56.5 million including 5190 enforcement orders to the value of \$1.9 million where the debtor was deceased.

Fines worth \$37 million were written off which had been incurred before December 1999. The fines were below \$500, were for relatively minor offences and the offender had not received any further infringements. The fines were written off in accordance with the Treasurer's Guidelines.

Fines Hardship Review Board (FHRB)

The FHRB is established under the *Fines Act 1996* to independently review decisions by SDRO.

The Board is represented by delegates of the Attorney General, Secretary of Treasury and the Chief Commissioner of State Revenue.

Under Section 101B of the *Fines Act 1996*, the FHRB has the authority to review decisions by SDRO on applications for time to pay and write-offs.

The Board reviewed 48 decisions of SDRO with a total value of \$302 719. These were determined as follows:

Decision	Number of matters	Value \$
Write-off	16	43 814
Time to pay	7	146 242
SDRO decision upheld	25	112 663

SDRO compliance activities

To ensure the integrity of the fines system we operate a comprehensive compliance system based on risk analysis and data matching. Our data matching activities have become more extensive as we add new data sources and refine our matching techniques.

SDRO conducts regular checks to ensure people nominate the correct driver for offences involving demerit points. This is a substantial task, given that in 2007–08 over 480 000 statutory declarations nominating other drivers were received by SDRO. We use data matching techniques to investigate fraudulent practices.

Many of the investigations have resulted in an incorrect nomination being corrected without the need for prosecution. In these cases the nominations were withdrawn and the penalties and demerit points assigned to the correct person. More serious cases are referred for prosecution.

During the year, SDRO referred 39 cases, involving 372 penalty notices, to the NSW Police Force for investigation of offences involving false nomination of other persons in an attempt to avoid penalties and demerit points. These investigations led to several people being placed before the courts to face criminal charges. Court penalties included suspended sentences and good behaviour bonds.

SDRO is continuing the program of reviewing nominations and assists the NSW Police Force investigate cases of alleged false nominations.

SDRO assists other agencies such as the RTA, the NSW Police Force and the Ministry of Transport in managing compliance of professional drivers and other matters. We assist in criminal investigations by providing information for matters involving serious crimes including suspected terrorist activity. SDRO also assists the NSW Police Force by providing documentation supporting prosecutions for unlicensed drivers.

SDRO has also been invited to join the State Crime Command Taskforce investigating car dealerships suspected of tax and fine avoidance.

Our compliance activities will extend to other high risk areas in 2008–09.


SDRO client and stakeholder services

SDRO is a high volume business with our Client Contact Centre handling on average 20 000 phone calls per week and receiving and responding to more than 220 000 items of correspondence per annum.

At the beginning of 2007–08, the call waiting time for the SDRO Contact Centre was approximately 12 minutes, with an unacceptable call abandonment rate. We implemented a new telephony system, improved automation, increased staffing levels and provided extensive staff training which resulted in a significant reduction in the waiting time, to an average of two minutes by June 2008.

SDRO provides a telephone hotline service for the NSW MPs and the Ombudsman (see appendix 7 Ministerial representations received), advocacy



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groups (such as the Salvation Army, Legal Aid NSW and the Public Interest Advocacy Centre) and various Aboriginal Community networks which allows these clients to directly contact SDRO for assistance.

SDRO commercial client e-learning

In order to provide our commercial clients with timely, consistent and convenient training in keeping with priority S8 of the NSW State Plan to provide customer friendly services, OSR has developed online or e-learning on-demand training. The first e-learning program developed was for our Self Enforcing Infringement Notice Scheme (SEINS), which was delivered online to over 900 staff of our client agencies from across NSW.

On-demand learning delivered over the internet offers clients consistent 'just-in-time' learning they can complete anytime over a number of sessions. The scenarios can be used as a refresher by more experienced staff and the examples allow clients to practice as many times as they like until they feel comfortable with the information.

We plan to release further e-learning modules next year for supervisors and managers on the overall operation of SEINS and the reporting functionality available.

SDRO stakeholder forums

SDRO continues to play an important role in the Australian and New Zealand Fines Enforcement Reference Group (ANZFERG). This group investigates enforcement benchmarking and opportunities for legislative and administrative harmonisation in keeping with priority P3 of cutting red tape in the NSW State Plan. The group now has representative members from all States and Territories, with the Australian Capital Territory joining in late 2007.

In pursuing enforcement harmonisation, ANZFERG successfully presented a case to the National Standing Committee of Attorney-General for reciprocal enforcement of fines across State and Territory jurisdictions. The necessary legislative amendments will be drafted and put before Federal and various State and Territory jurisdictions.

We also conducted information forums with a number of Aboriginal networks, the Roads and Traffic Authority, Local Courts, Ministry of Transport, Wesley Mission and the Financial Counsellors Association in which we provided resource material on the fines system.

The Assistant Director, Operations, SDRO participated on the Sentencing Council Working Group to implement the recommendations from the Sentencing Council Review of Fines and Penalty Notices.

Initiatives to help clients

In July 2007, SDRO published the Review Guidelines on our website for people seeking information on how to apply for reconsideration of penalty notices they had received. Penalty notices were withdrawn and a caution substituted on 46 656 occasions.

We provided a facility for clients to apply direct debits against their Centrepay entitlements for the settlement of outstanding fines. So far, nearly 15 000 people have agreed to use this method of settling their fines. We now also provide BPAY as a payment option.

To assist clients pay their fines, we have implemented a part payment facility that allows part payments for initial penalty notices as long as the full amount is paid by the due date.

Both of these initiatives were fully supported by advocacy groups and the Sentencing Council as positive steps to assist people manage their finances while at the same time meet their responsibilities.