

## **Crime and Courts Bill**

### **Fact Sheet: Payment of Fines and Other Sums**

1. Clause 23 introduces two changes to the arrangements for the collection of criminal financial penalties. First, it will ensure that it is possible for the functions of fines officers to be performed under contract. Second, it introduces provision to enable the recovery of charges for the costs of collecting or pursuing criminal financial penalties from defaulting offenders. This would mean that the costs incurred in securing payment can be recovered from the offender rather than, as now, being subsidised by the taxpayer.

#### **Fines Officers**

2. Fines are the most common form of sentence imposed by the criminal courts; they account for some 65.4%<sup>1</sup> of sentences passed by the courts. In 2010/11 the fines payment rate was 93.2%, this has increased from 84.7% in 2008/09<sup>2</sup>. In imposing a fine the court will set a date by when it must be paid; there is provision for those on limited means to pay their fines by instalments. The responsibility for the collection of fines rests with Her Majesty's Courts and Tribunals Service (HMCTS).
3. HMCTS currently employs approximately 1700 staff for the purposes of fines collection. These staff perform a number of functions including setting up accounts, processing payments, and chasing and tracing defaulters. In addition to the administrative staff there are those who have been designated as 'fines officers' by the Lord Chancellor and have additional functions such as securing the payment of fines, including setting up payment plans, varying payments, and issuing orders for deductions in benefits or earnings.
4. The Courts Act 2003 permits the functions of court staff, including fines officers, to be performed under contracting out arrangements. Clause 23 will enable all such functions to be contracted out by making it clear that the functions of the fines officer are administrative in nature and do not involve the making any judicial decisions.

#### **Collection costs**

5. The cost of collecting fines currently falls to HMCTS. Those who do not pay their fine to the timetable agreed with the court therefore impose additional costs on the taxpayer. To address this, clause 23 provides for the recovery of the costs of collection from the offender. The provision would allow for a charge to be placed on defaulters for non payment which would be collected and enforced in the same way as a fine. The proposed charge would recover some or all of the administrative costs of collection

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<sup>1</sup> Overview of the Criminal Justice System in the 12 months ending September 2011

<sup>2</sup> Her Majesty's Courts Service Annual Report and Accounts 2010-11

and be met by the offender. This change will help increase compliance, where offenders are encouraged to pay early and/or comply with payment plans or risk incurring collection costs.

6. The collection and pursual of fines by court staff involves various administrative steps such as issuing payment reminders; setting up payment terms; managing accounts and taking payments and using manual systems to trace offenders. This differs from the enforcement of fines by debt collection agents who execute court ordered warrants/orders. Debt collection agencies who are contracted to act on behalf of the magistrates' courts to enforce fines have their own charging scheme in place.

**Ministry of Justice**  
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