



Policy GP-020 – Provincial Offences Act Fine Collection Policy

Governance Policy GP-020	Section: Corporate Services
Issue Date: October 16, 2024	Approval Date: October 16, 2024
Review Date:	Initiating Department: Financial Management and Planning

Purpose:

The purpose of the Provincial Offences Act (POA) Fine Collection Policy is to promote consistent, transparent and equitable processes in the collection of unpaid fines and a streamlined process for the write-off of arrears that have been deemed uncollectible.

Scope:

This policy complies with the *Municipal Act, 2001* and the *Provincial Offences Act*, as amended.

The Write-Off Directive and Operating Guideline (the “Guideline”) published by the Ministry of the Attorney General applies to all municipal partners that are subject to a POA Transfer Agreement, including Norfolk County. The Guideline provides advice on best practices for the write-off of POA accounts that have been deemed uncollectible. This policy complies with, and will be applied in accordance with, the Guideline.

Definitions:

Court Administration Management System (CAMS) – a software system designed and developed for the administration of municipal provincial offences court in the Province of Ontario.

Integrated Courts Offence Network (ICON) – the provincially mandated database that POA offices are required to use as per the transfer agreement between the Province and Norfolk County.

MAG – Ministry of Attorney General for the Province of Ontario

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MTO – Ministry of Transportation for the Province of Ontario

MOU – Memorandum of Understanding between Norfolk County and MAG

POA – Provincial Offences Act (Act)

RICO Report – generated reports from ICON

Uncollectable – a financial obligation, in this case a fine and any associated fees or charges, that have been deemed to have little or no chance of being collected.

Write-off – cessation of active collection activity and removal of accounts receivable from the ICON system and CAMS.

Skip/Trace – investigative practice that's commonly deployed to pinpoint an individual's whereabouts when the individual has an unfulfilled financial obligation.

Standards and Procedures:

Daily Systems Interfacing

Interfacing of CAMS and ICON shall be completed within one (1) business day of receipt of RICO Reports.

Post-interfacing audit report anomalies as identified by CAMS shall be reviewed and addressed within two (2) business day of the interface being completed to ensure integrity of data for collection purposes.

Defender Profile Management

During any interaction with a defendant, POA staff will ensure the defendant's address, email address and telephone number are current within CAMS and process any updates during the interaction as required.

Upon receipt of a Supplemental Information Form from a defendant, the defendant's profile shall be updated as required within two (2) business days.

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Provincial Offences Fine Collections Process

Notice of Fine and Due Date

Once convicted, defendant receives a Notice of Fine and Due Date sent by regular mail. The notice will entail ticket or information number, offence type, outstanding fine payment and payment options.

Collections Notice of Unpaid Fine(s) Licence Suspension

A warning letter is issued and sent by regular mail once a fine goes into default. The notice will entail ticket or information number, offence type, outstanding fine payment and if NOT paid within 14 days as of the date of notice their driver's licence may be suspended. The warning letter is only mailed to applicable charges that warrant a suspension.

If no payment is made, a final notice letter sent by regular mail. The notice will entail ticket or information number, offence type and outstanding fine payment. Immediate action required to avoid collection/legal action. The Final Notice is for all outstanding fines including matters that have been suspended.

Use of Third Party Collection Agencies

Pursuant to Section 70.1 of the POA, authorizes the use of Collection Agencies for the recovery of debts and Collection Agency fees are to be passed on to the debtor and form part of the fine amount owing.

To maximize collection efforts, multiple Collection Agencies are used; however, at no time will more than one Collection Agency attempt collection of the same debt at the same time.

Collection Agencies are only used for the collection of Fines with balances greater than \$50.00.

If the Collection Agencies are unsuccessful and the file is returned to the County, Collections staff will review the debt to determine if another avenue for collection is available. If no other collection alternative is available, the Fine may be deemed uncollectible and submitted for Write-off.

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Cold Calling

Cold Calls may be completed by collection staff to solicit payment of fines in default only. Norfolk County will not actively engage in this method unless there is a reasonable belief that it may result in payment or execution of a payment plan.

Collection staff shall utilize an approved script when conducting cold calls.

Cold calls are to be conducted in a non-confrontational manner.

Licence Plate Renewal Denial

After failure to pay parking tickets, By-Law shall send Provincial Offences a list of certificates requesting convictions. These are issued 60-75 days after the defendant received the parking ticket.

Notices of fine and due date are then issued and if no payment is made within 30 days, the defendants licence plate renewal shall be denied.

Driver's Licence Suspension

If a defendant fails to pay a fine stemmed from a conviction after the final notice letter is sent out, a process will be taken to suspend their driver's licence.

Administration fees are automatically added to the fine at this time. The suspension of the driver's licence remains until either the fine and reinstatement fee are paid in full or the court grants an extension of time to pay.

Transfer of Outstanding Fines to Property Tax Roll

In accordance with Section 441.1 of the Municipal Act, 2001, defaulted fines will be added to the tax roll if the defendant is the sole owner of that property, either in Norfolk County or another municipality, where possible, and collected as taxes.

The County may pursue and execute agreements with other Ontario municipalities to allow unpaid Provincial Offences Act fines to be added to the tax roll in those municipalities for collection purposes and to collect such amounts on behalf of the other municipalities on a reciprocal basis.

The Treasurer is authorized to enter into inter-municipal agreements for the collection of outstanding Provincial Offences Act fines with other municipalities and execute all necessary documents, in a form satisfactory to the County Solicitor.

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Defaulted fines eligible for addition to a tax roll will be reviewed quarterly by the Tax Collector/Manager, Revenue Services before being transferred.

An account adjustment fee shall be charged for completing the transfer in accordance with the current Norfolk County user fee by-law and the fee shall be retained by POA Administration.

Upon transfer, the fine shall remain open in ICON but be withdrawn from third party collections.

POA fines transferred to property taxes shall be reported to Council annually.

Civil Enforcement Measures

Civil Enforcement, Rule 68(1) of the POA may be warranted upon failure of all other collection methods and when financial benefits of doing so exceed the cost expected to be incurred. Small Claims court hears civil matters \$35,000 or less. Anything above \$35,000 would have to follow the civil litigation process. All fees incurred by the County related to civil enforcement will be the responsibility of the defender.

A letter will be sent by regular mail to inform defendant of action that will be taken.

The Treasurer shall be delegated the authority by Council to initiate any civil proceedings for the sole purpose of collecting defaulted fines as well as to procure the services of external legal counsel as required. The Treasurer shall prepare an annual report to Council detailing civil actions taken for this purpose and the results of any civil actions that have occurred during the prior year.

Defaulted fines eligible for civil action will be reviewed quarterly by the Tax Collector/Manager, Revenue Services in order to make appropriate recommendations to the Treasurer.

Steps will be taken to file at the Superior Court of Justice or Small Claims Court for the most appropriate collection option of monies. Methods could involve:

- Writ of seizure and sale of land and/or property
- Judgment debtor examination
- Garnishment

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Defendant Payment Options of Fines

Payment in Full

Methods of payment include cash, cheque made payable to Norfolk County (over \$1000 certified), debit, Visa, MasterCard and American Express. Payments may also be made in person, by phone or by mail. Part 1 and Part 3 tickets may also be paid online. Part 2 tickets may be paid online after transferred to court operations.

Extension Agreements

In accordance with section 66.0.1 of the Act, a defendant may, at any time, make an application for an extension or a further extension of time for payment of a fine by completing the prescribed form and filing it in the office of the court.

The clerk of the court may,

- a) grant the application if he or she is satisfied, having regard to any criteria prescribed under 66.0.1 of the Act, that the application is made in good faith and will not be used to evade payment; or
- b) forward the application to a justice for review.

The Clerk may use the following criteria to determine if an extension application is made in good faith by a defendant:

- a) Recurring payment history by the defendant against amounts owing
- b) Submission and agreement for Pre-Authorized Payments form to accompany the application for extension
- c) Submission of the Supplemental Information Form (if applicable) to accompany the application for extension

Should an extension agreement be approved by a Justice, the Clerk will honour the terms for the extension as approved by said justice.

All approved agreements are to be tracked appropriately.

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Pre-Authorized Credit Card Payments (PACC)

A defendant may elect to make payment against fines outstanding through a monthly PACC.

Norfolk County will encourage PACC to defendants when reasonable as a method to secure payment of defaulted fines.

The following PACC plans are available:

- a) Monthly "A" Plan – 1st day of each month
- b) Monthly "B" Plan – 15th day of each month

Defendants wishing to participate in any of the aforementioned plans must submit an application at least ten (10) calendar days prior to the first payment date. Individuals requesting a change or to cancel participation in any of the PACC plans must do so in writing at least ten (10) calendar days prior to the next payment date.

Should the County receive a declined PACC transactions three times within a twelve-month period for one defendant, participation in the program will be automatically suspended.

It is the responsibility of the defendant to notify the County immediately of any changes to payment information.

If a scheduled PACC falls on a weekend or statutory holiday the payment will be processed on the next business day.

Collection staff shall provide the Tax Collector, Manager, Revenue Services with a summary of payment plan activities that occurred during the month.

Pre-Authorized Payment Plan Direct Debit (PAP)

Norfolk County may provide, but is not obligated to provide, a monthly PAP program.

A defendant may elect to make payment against fines outstanding through a monthly PAP.

Norfolk County will encourage PAP to defendants when reasonable as a method to secure payment of defaulted fines,

The following PAP plans are available:

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- a) Monthly “A” Plan – 1st day of each month
- b) Monthly “B” Plan – 15th day of each month

Defendants wishing to participate in any of the aforementioned plans must submit an application at least ten (10) calendar days prior to the first payment date. Individuals requesting a change or to cancel participation in any of the PAP plans must do so in writing at least ten (10) calendar days prior to the next payment date.

Should the County receive a declined PAP transactions three times within a twelve-month period for one defendant, participation in the program will be automatically suspended. Payments returned by a financial institution will result in reversal of the payment and the addition of the applicable administration fee.

It is the responsibility of the defendant to notify the County immediately of any changes to payment information.

Collection staff shall provide the Tax Collector, Manager, Revenue Services with a summary of payment plan activities that occurred during the month.

Supplemental Information Form

A Supplemental Information Form must be completed by a defendant and submitted as part of an extension agreement application, PACC or PAP if the total amount of the fine(s) outstanding for a defendant is equal to or greater than \$5,000.

The supplemental information form shall only be utilized by Norfolk County for the purposes of enforcing collection of defaulted fines.

Supplemental information may include: Defendant’s name, date of birth, address of residency, personal telephone number, personal email address, driver’s licence number, employment status, employer, address of work, occupation, annual income, work phone number, work email address and any other information that is determined to be relevant by the Tax Collector/Manager, Revenue Services.

A Skip/Trace review shall be completed bi-weekly to ensure any deficiencies with defendant profiles are corrected as to not prevent the collection process from continuing

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Provincial Offence Write-Off of Uncollectible Fines

Fines receivables are to be reviewed semi-annually to identify potential write-offs, and annually to identify accounts deemed uncollectible and to be recommended for write-off.

Write-off recommendations should include:

- Copy of *Certificate of Offence* or Part III Information;
- Record of additional costs and fees included in the outstanding amount;
- Payment history;
- Documentation of attempted collection activities; and
- Reason for the recommended write-off.

The Supervisor, Corporate Collections shall complete a Write-Off Report Form summarizing the cases that have been identified for write-off, the reason for write-off and total value of each write-off code.

Only cases where there is no collection option available and/or where it is not cost effective to carry out any collection activity will be considered for write-off. These include:

- Defaulted cases more than 10 years old and where every collection effort has been exhausted;
- Cases where no collection options are available (bankruptcies, deceased persons and company closures); and
- Cases of insignificant value (\$40.00 or less) where it is deemed to not be cost effective to pursue any collection activity.

The Supervisor, Corporate Collections will present the completed Write-Off Report Form to the appropriate approval body when required.

No data will be changed or deleted from either the ICON system or Collections system until all required approvals have been granted.

A detailed list of requested write-offs will be made available upon request.

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Refunds

Refunds are issued if any conviction is overturned by the court (through an appeal or a re-opening) or there has been an administrative error by Norfolk County court operations or the enforcement agency.

Duplicate payment made by a defendant shall also be refunded.

Refunded shall be issued within 60 days of notice of refund being required.

Nominal Fine Review

Partially paid fines with outstanding balances of \$10 or less shall be written-off if the balance remains unpaid for a period of 2 years.

Active collection efforts will not occur on amounts of less than \$10 outstanding.

For fines that are not eligible for other internal collection efforts, collections staff will provide a courtesy letter to the defendant for amounts between \$10 and \$40. This process will be completed semi-annually and amounts uncollected at one (1) year from the date of the courtesy letter will be written-off.

General

- Completion of all collection efforts shall be paperless when possible.
- The Treasurer shall be delegated the responsibility by Council to complete administrative edits to this Policy when required and deemed appropriate.
- The Policy's short name be POA Collection Policy.

Responsibilities:

Council

- Approves implementation of this Policy and any non-administrative revisions.
- Approves deemed uncollectible fine write-offs of greater than \$50,000.

Treasurer

- Approves deemed uncollectible fine write-offs up to \$25,000 per fine inclusive of any interest or other fees added.

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- To make recommendations of deemed uncollectible accounts for write-off to the Chief Administrative Officer above \$25,000 up to \$50,000.
- Approves any administrative revisions to this Policy without Council approval needed.
- Approve any changes to any specified dollar thresholds for various collection methodologies without Council approval

Tax Collector/Manager, Revenue Services

- Ensuring applicable staff are aware of and trained on this policy, the Guidelines and any related protocols, and/or any subsequent revisions.
- Ensuring staff comply with this policy and follow any related guidelines and protocols.
- Ensuring documentation/records of all transactions are maintained.
- Approves deemed uncollectible fine write-offs up to \$10,000 per fine inclusive of any interest or other fees added.
- Approves all write-offs related to uncollectible accounts due to deceased persons, bankrupt individuals, judgements and court orders.
- To make recommendations of deemed uncollectible accounts for write-off to the Treasurer.

Supervisor, Corporate Collections

- Ensuring compliance with this policy, the Guidelines and any related protocols.
- Oversees the outstanding fine collection process.
- Produces monthly performance metrics.
- Recommends appropriate collection methodology.
- Recommends write-offs to authorized individuals.

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Communication:

This policy will be made available to all Council members, staff and the general public to encourage accountability and transparency. All documents will be made available in accessible formats as requested.

Evaluation:

Every five years

Legislative Reporting Requirements:

None.