
Report of the Regional Solicitor and General Counsel

Collection of *Provincial Offences Act* Defaulted Fines Update

1. Recommendation

1. Council approve an increase of \$23 to the Region's fine default fee effective January 1, 2026 and that Schedule A to Bylaw 2020-04, a bylaw to impose fees and charges for services and activities provided by The Regional Municipality of York (Fees and Charges Bylaw), be amended accordingly.
2. Council approve writing off defaulted *Provincial Offences Act* fines described in Private Attachment 1 that were deemed uncollectable, in accordance with Ministry of the Attorney General's Write-Off Directive and Operating Guideline and the Region's Collection and Write-Off Policy for *Provincial Offences Act* Defaulted Fine.

2. Purpose

This report provides an update on collection of defaulted fines efforts and requests Council approval for an increase in the Region's fine default fee to recover costs. Additionally, this report requests Council approval to write off defaulted fines under the *Provincial Offences Act*, in line with the Ministry of the Attorney General's Write-Off Directive and Operating Guideline (Ministry's Write-Off Directive), as well as the Region's Collection and Write-Off Policy for *Provincial Offences Act* Defaulted Fines (Collection and Write Off Policy).

Attachment 1 is private pursuant to Section 239(2)(f) of the *Municipal Act, 2001* as it contains advice that is subject to solicitor-client privilege.

Key Points:

- In 2024, York Region collected \$7.5 million in default fine revenue. Staff continue to modernize collection strategies to effectively enforce court ordered fines.

- To improve operations and ensure sustainability, Court Services is proposing to adjust the Region's fine default fee to ensure collection of default fines operates through cost recovery.
- Despite best efforts, some outstanding fines are deemed uncollectable and appropriate for administrative write-off. This does not absolve guilty parties, and collection activities can resume if conditions change in the future.

3. Background

On average about 15 per cent of fines are not paid on time. York Region Court Services is responsible for collecting on default fines through various collection methods

The *Provincial Offences Act* gives defendants charged with an offence three options: pay the fine, dispute the charge through walk-in guilty process or request a trial. If a defendant fails to choose one of these options or fails to pay the fine imposed by the court, the fine goes into default. In 2024, 30,086 fines (13% of charges filed) went into default. The Region takes every practical measure to maximize the collection of defaulted fines and to maintain integrity of the justice system by using all legislated collection methods where available. These collection efforts could include:

- Distribution of notices and communications to debtors on the outstanding fines
- Application of available administrative sanctions including license suspension and plate denial
- Working collectively with local municipal partners by adding defaulting payee's fine(s) to property tax bill ("tax rolling")
- Civil enforcement mechanisms, where available
- Assigning defaulted fines to specialized third-party collection agencies to resolve the outstanding debt

Provincial write-off directive provides guidelines on *Provincial Offences Act* collection best practices and allows for write-off of uncollectable accounts

York Region Provincial Offences Court Services (Court Services) is tasked with enforcing payment of overdue court-ordered fines. These efforts are governed by the Ministry's Write-Off Directive and the Region's Collection and Write-Off Policy. This policy permits Regional staff to recommend to Council the write-off of accounts considered uncollectable.

Administrative write-off does not absolve guilty parties of their debt

Provincial Offences fines are debts to the Crown and therefore are not subject to the *Limitations Act*. A defendant is never absolved from the requirement to pay a fine and the debt is owed in

perpetuity. Therefore, collection activities of written-off accounts can be reinstated if conditions change. The Ministry's Write-Off Directive and the Region's Collection and Write-Off Policy is based on the principle that *Provincial Offences Act* defaulted fines may be written off for accounting purposes only.

4. Analysis

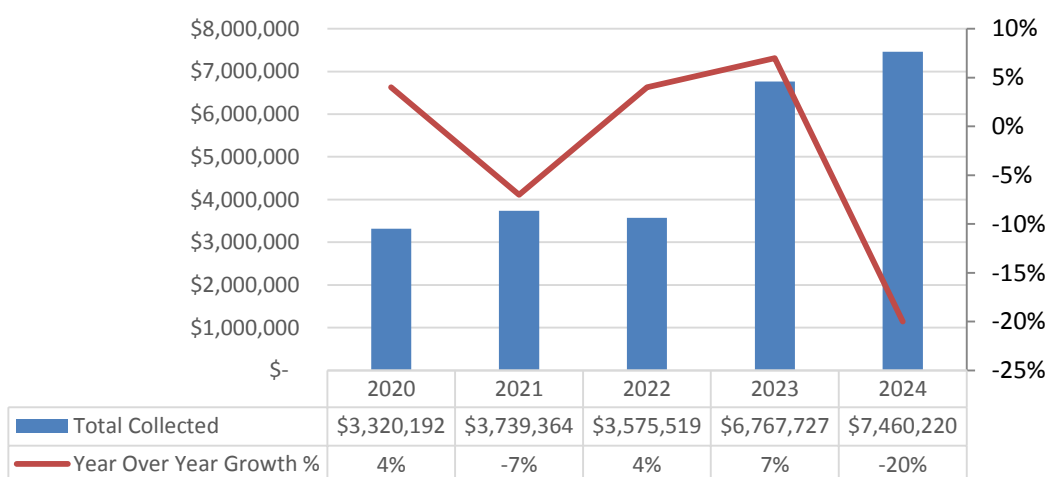
Court Services collected \$7.5 million in 2024 default fine revenue by improving processes

Improvement in default revenue collection for 2024 is partly due to streamlined enforcement processes, which reduce the time fines are in default. The changes prompted escalation of enforcement activities incentivizing defendants to act in a timely manner, through utilization of more impactful enforcement methods leading to a 10% increase in the default revenue collected. (Figure 1).

Figure 1 represents the total default revenue collected each year, along with the year-over-year growth percentage of all outstanding debt.

Figure 1

Outstanding Defaulted Fines vs. Default Revenue Collected



In 2025 Court Services will be optimizing its collections program by leveraging modern tools and strategies, introducing targeted collection approaches, and improving defendant contact information

Optimizing Court Services collections program will enhance York Region's financial health and public safety by effectively enforcing court ordered fines. Streamlined processes will reduce administrative tasks, allowing staff to focus on active collections, improving efficiency. The

program will also boost defendant awareness and compliance regarding their obligations and the consequences of non-payment. Adjustments will be introduced throughout 2025 to improve collection results in the subsequent years, and will include:

- Automation of data entry tasks to improve data accuracy, and shift staff time to active collection activities.
- Improvement of defendant contact information supporting early engagement and resolution.
- Adopt a more consistent and hands-on approach to monitor and prioritize large outstanding fines, while customizing enforcement techniques and offering flexible payment options to enhance collections.
- Continue to advocate for legislative amendments and new policy directives through the Ministry of Attorney General Collections Innovation Committee with a focus on creating more flexible and applicable collection tools.

Court Services recommends increasing the Region's fine default fee by \$23 to recover operational costs

In [2016](#), Council approved a \$20 fine default fee under section 391 of the *Municipal Act, 2001*. This fee complements the legislated \$40 default fee, a portion of which is remitted to the Province. The Regional fine default fee was introduced to bridge the gap in revenue from the legislated default fee to support full cost recovery of courts' collection program.

Since 2016, the Region's fine default fee has been adjusted in accordance with the Consumer Price Index and is currently \$25. To sustain the Court's collection program through a cost recovery model, Court Services recommends increasing the Region's fine default fee by \$23. This adjustment would raise York Region's total fine default fee to \$48 aligning it with several other *Provincial Offences Act* Courts across Ontario.

If approved, the increased fee will be effective January 1, 2026, in alignment with the annual update of Schedule A of the Fees and Charges Bylaw.

Improvements to the collection program support the Economic Vitality Area of Focus towards Vision

The Economic Vitality Area of Focus of York Regional Council's [Vision](#) focuses on creating a safe, effective transportation system that connects peoples, goods and services. The default collection rate represents the Courts effectiveness in enforcing court ordered fines. Streamlining enforcement efforts, prioritizing certain cases and adjusting the internal approach should result in improvements of the default collection rate.

5. Financial Considerations

This report will result in financial impacts beyond the current budget year, as outlined in Table 1. If approved, the increase in the fine default fee will support Court Services collection program cost recovery and will offset any increase in expenditures with the introduction of improved tools to enforce the collection of difficult and high-value fines. A report back to Council will not be required to request additional resources, based on this change.

Table 1 shows the current available budget for Court Services, split between gross expenditures and net tax levy. It also shows the incremental resources and offsets requested through this report and the resulting net tax levy impact.

Table 1
Operating Budget

Base Budget (in plan):	2025	2026	
Gross Expenditures	44.6M	54.9M	
Net Tax Levy	(9.4M)	(11.6M)	
Fiscal Impact: Budget Request	2025	2026	Ongoing Annual Impact
Incremental Cost		N/A	
Revenue Offset: (Increase in default fine fee)		(.460M)	(0.685M)
Expenditure Offset: (from where)		N/A	
Net Tax Levy Impact		(12.1M)	

Any Council-approved write-off will have no impact on the Region's financial statement, as Court Services uses cash-basis accounting and does not accrue *Provincial Offences Act* Courts receivables. Starting in 2025, Provincial Offences Courts receivables will transition to accrual accounting. Any write-offs that impact the Region's financial statements going forward, will be addressed in future reports.

6. Local Impact

The Region collects *Provincial Offences Act* fines on behalf of local York Region municipalities. The total amount recommended for write-off related to municipal bylaw charges is included in

Private Attachment 1. Local municipal staff are aware that if the write-off is authorized, collection efforts will cease, and revenue may not be realized by the local municipality.

7. Conclusion

By approving the recommended write-offs, Court Services can concentrate internal and external resources on outstanding debt that is reasonably collectible. Although revenue collection has increased annually, Court Services expects that future collection efforts will become more challenging, necessitating strategic adjustments. Implementing data-driven approaches, innovative tools, and streamlined processes is anticipated to positively impact the collection of default revenue. Additionally, Court Services will continue to use license suspensions, plate denials, administrative sanctions, and civil fine enforcement mechanisms where available, while advocating for the expanded use of enforcement tools.

It is recommended Regional Council approve the write-off of uncollectable accounts described in Private Attachment 1 and increase the Region's fine default fee by \$23, as outlined in the report.

For more information on this report, please contact Barb Ryner, Director, Court & Tribunal Services at 1-877-464-9675 ext. 73209. Accessible formats or communication supports are available upon request.



Recommended by:

Dan Kuzmyk

Regional Solicitor and General Counsel



Approved for Submission:

Erin Mahoney

Chief Administrative Officer

May 8, 2025

#16543789

Private Attachment #1 – Write Off Recommendations (#1668121)