

## **Amendment to Blanket Contracts 47024891 with CBV Collection Services Ltd. for the Collection Services for Provincial Offences Act Fines for Court Services**

**Date:** March 11, 2024  
**To:** General Government Committee  
**From:** Director, Court Services and Chief Procurement Officer  
**Wards:** All

### **SUMMARY**

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The purpose of this report is to request authority to amend Blanket Contract 47024891 issued to CBV Collection Services Ltd. for the provision of Collection Services for *Provincial Offences Act Fines*

The amendment is required to address the underestimation of contract values for the provision of collection agency services to support the collection of defaulted fines under the *Provincial Offences Act* (POA) up to March 31, 2025, the first period of the contract. The increase in total contract target value is required to process anticipated invoices for collection agency services through the end of the contract.

The total value of the amendment being requested is \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of Harmonized Sales Tax Recoveries), revising the overall contract value from \$660,400 to \$1,660,400 net of all taxes and charges (\$1,689,623 net of Harmonized Sales Tax Recoveries).

General Government Committee approval is required in accordance with Section 71-11.1C of the Toronto Municipal Code Chapter 71 (Financial Control By-law), where the current request exceeds the allowable threshold of \$500,000 net of all applicable taxes and charges.

Approval of the amendment will not result in financial implications to the City as collection agency costs are fully recovered from the debtors as per Section 70.1(1) of the *Provincial Offences Act* (POA).

### **RECOMMENDATIONS**

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The Director, Court Services, and the Chief Procurement Officer recommend that:

1. The General Government Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code, Chapter 71 (Financial Control By-Law), grant authority to the Director, Court Services to amend Blanket Contracts for the provision of collection services for Provincial Offences Act fines, as follows:

- a. increase the value of Blanket Contract 47024891 issued to CBV Collection Services Ltd. by \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of HST recoveries) from \$660,400 net of all applicable taxes and charges (\$672,023 net of HST recoveries) to \$1,660,400 net of all applicable taxes and charges (\$1,689,623 net of HST recoveries).

## **FINANCIAL IMPACT**

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There is no financial impact to the City from the recommendations in this report. Collection agency costs are fully recovered from the debtors as per Section 70.1(1) of the *Provincial Offences Act* (POA).

Funding is available in the 2024 Approved Operating Budget for Court Services in Cost Centre CT-2000 and additional funding for the balance of the term will be included in the 2025 Operating Budget Submission. Additional details follow on Table 1:

Table 1: Financial Impact Summary of Recommended Contract Amendment

Supplier Name	Contract Number	Cost Centre	2024	2025	Total (Net of Harmonized Sales Tax Recoveries)
CBV Collection Services Ltd	47024891	CT2000	\$814,080	\$203,520	\$1,017,600

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

## DECISION HISTORY

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At its meeting of March 29, 2023, the City Council adopted item GG 2.13 authorizing the award of contracts to various suppliers for collection services for *Provincial Offences Act* fines resulting from Request for Proposal Ariba Document Number 3389680974.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG2.13>

## COMMENTS

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Since 2004, Court Services has entered into contracts with third-party collection agencies to support the collection of defaulted fines under the *Provincial Offences Act* (POA). The ability to use collection agencies to enforce defaulted POA fines is provided under Section 165(9) of the POA and Section 240 of the *City of Toronto Act, 2006*. Section 70.1(1) of the POA allows the City to charge back collection agency costs to the debtor as part of the outstanding debt.

Ariba Document Number 3389680974 was issued on October 12, 2022 for the provision of collection agency services to support the collection of defaulted fines under the *Provincial Offences Act* (POA), which resulted in an award to collection agencies and the issuance of blanket contracts for two-year fixed-term contract and potential three (3) one-year optional periods.

## CONTACT

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## SIGNATURE

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Dianne Kasias,  
Director, Court Services

Geneviève Sharkey  
Chief Procurement Officer