

Audit of the City's Administrative Penalty System for Parking and Red Light Camera Violations

Date: June 24, 2026
To: Audit Committee
From: Auditor General
Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The confidential attachment to this report contains information involving the security of property belonging to the City of Toronto.

SUMMARY

The Administrative Penalty System (APS) is the City's process to resolve disputes and collect payments for administrative penalties, which are imposed for various traffic by-law and statute violations, including parking violations and violations detected by red light camera systems. The City implemented its APS to resolve by-law disputes more efficiently than it had through the provincial court.

The Court Services Division coordinates the APS' overall program governance with the support of Legal Services Division, which also oversees the screening review process, and the Revenue Services Division, which leads penalty collection efforts.

The Auditor General's [2025 Audit Work Plan](#) included an audit of the Administrative Penalty System - Parking Ticket Fines (parking penalties). This audit assessed whether the Administrative Penalty System is achieving its intended benefits in supporting dispute resolution and payment collection in accordance with City by-laws and regulations.

Our audit identified opportunities to:

- A. Improve Timeliness of Screening Reviews
- B. Improve Collection of Penalty Amounts and Fees Due
- C. Improve Performance Monitoring and Reporting

RECOMMENDATIONS

The Auditor General recommends that:

1. To reduce the screening review backlog for parking penalties and, consequently, time-to-screening, City Council request the City Solicitor, in consultation with the Executive Director, Court Services, and the Director of Revenue Services, to:
 - a. Assess what changes can be made through the online dispute portal, Administrative Penalty System forms, and the City website to provide additional guidance for disputers and encourage complete submissions
 - b. Assess the feasibility and benefits of restricting a screening review to only include documents submitted at the time of the screening request, with exceptions as necessary
 - c. Formally define time-to-screening targets for parking administrative penalties, taking into account current issuance and dispute rates, for City Council consideration
 - d. Conduct a detailed staffing analysis that takes into consideration the estimated new screening requests, existing screening review backlog, time allocation between screening reviews and other duties, screening officer throughput, and use of overtime if needed, to determine the optimal staffing level for screening officers to reduce the backlog and time-to-screening for administrative penalties.
2. To keep the time-to-screening for red light camera penalties within acceptable timeframes, City Council request the City Solicitor to formally define time-to-screening targets for red light camera administrative penalties, taking into account current issuance and dispute rates, for City Council consideration.
3. To inform a recipient of administrative penalty amounts overdue and in default, City Council request the Director, Revenue Services, to:
 - a. Ensure Notices of Overdue Parking Penalty, Notices of Default, and Notices of Overdue Penalty Order are sent on the day their respective penalties qualify for these notices

b. Review quality control and reconciliation processes to ensure they accurately identify and send all missed notices, add all missed late fees, and process all missed plate denials on the earliest day following qualification

c. Investigate why any notices, late payment fees and/or plate denials that should have been sent or processed were not, and update the automated scripts that produce them accordingly

d. Work with the Ministry of Transportation and Ministry of the Attorney General, as applicable, to complete all necessary system integration work to begin processing licence plate denial for red light camera penalties as soon as penalties qualify.

4. To improve Administrative Penalty System (APS) performance monitoring and reporting, City Council request the Executive Director, Court Services, in consultation with the City Solicitor and Director, Revenue Services, to:

a. Develop a performance measurement framework for the APS program

b. Establish and report on key performance indicators and targets aligned with program priorities to the General Government Committee that include, but are not limited to, time-to-screening, dispute processing times, backlog reduction, average screenings completed per screening officer, timely collection of outstanding penalties, timely use of notices, fees, and licence plate denial, and the cumulative dollar amount of outstanding penalties

c. Continue to align reporting with activities performed during the reporting period by revising reporting methods to include all activities in the reporting year rather than only activities pertaining to penalties issued in that year and compare annual results on this basis.

5. To improve the reliability of reporting for oversight and decision-making of the Administrative Penalty System, City Council request the Executive Director, Court Services, City Solicitor, and Director, Revenue Services to develop routine reports through the Case Management System that are logical and include criteria that address the program's needs and operations, inclusive of parking penalties, once these penalties transition onto the system.

6. City Council direct that Confidential Attachment 1 to the report from the Auditor General remain confidential in its entirety, as it contains information involving the security of property belonging to the City of Toronto.

FINANCIAL IMPACT

Addressing the recommendations in this report will help the City to improve the effectiveness, efficiency, and oversight of the Administrative Penalty System.

The resulting financial implications of these improved processes and any anticipated efficiencies and/or resources needed could not be determined at the time of this report.

DECISION HISTORY

The Auditor General's [2025 Audit Work Plan](#) included an audit of the Administrative Penalty System - Parking Ticket Fines (parking penalties).

COMMENTS

A high-level summary of key audit findings is provided in the Audit at a Glance.

The attached audit report provides the Audit Committee and members of Council with the detailed audit results and recommendations together with management's response. Management has agreed to all five recommendations.

CONTACT

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SIGNATURE

Tara Anderson
Auditor General

ATTACHMENTS

Attachment 1: Audit of the City's Administrative Penalty System for Parking and Red Light Camera Violations

Confidential Attachment 1