

Amendment to Blanket Contracts 47024891 with CBV Collection Services Ltd., 47024892 with Gatestone & Co Inc. and 47024893 with Partners in Credit Inc. for the Collection Services for Provincial Offences Act Fines for Court Services

Date: July 6, 2026

To: General Government Committee

From: Executive Director, Court Services and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to amend Blanket Contract 47024891 issued to CBV Collection Services Ltd., 47024892 issued to Gatestone & Co Inc. and 47024893 issued to Partners in Credit Inc. for the provision of Collection Services for *Provincial Offences Act* Fines.

The amendments are 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* up to March 31, 2028, the third option year of the contract.

The increase in total contract target value is required to accommodate anticipated invoices for collection agency services through the end of the contract term.

The following contract amendments are being requested:

1. An amendment to Blanket Contract 47024891 with CBV Collection Services Ltd. in the amount of \$1,500,000 net of all applicable taxes and charges (\$1,526,400 net of HST recoveries) from \$3,320,801 net of all applicable taxes and charges (\$3,379,247 net of HST recoveries) to \$4,820,800 net of all applicable taxes and charges (\$4,905,647 net of HST recoveries).
2. An amendment to contract 47024892 with Gatestone & Co Inc. in the amount of \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of HST recoveries) from \$2,630,601 net of all applicable taxes and charges (\$2,676,899 net of HST recoveries) to \$3,630,601 net of all applicable taxes and charges (\$3,694,499 net of HST recoveries).

3. An amendment to contract 47024893 with Partners in Credit Inc. in the amount of \$600,000 net of all applicable taxes and charges (\$610,560 net of HST recoveries) from \$2,604,800 net of all applicable taxes and charges (\$2,650,644 net of HST recoveries) to \$3,204,800 net of all applicable taxes and charges (\$3,261,204 net of HST recoveries).

The total value of the amendments being requested is \$3,100,000 net of all applicable taxes and charges (\$3,154,560 net of HST Recoveries).

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.

RECOMMENDATIONS

The Executive 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 Executive Director, Court Services to amend the following 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 \$1,500,000 net of all applicable taxes and charges (\$1,526,400 net of HST recoveries) from \$3,320,801 net of all applicable taxes and charges (\$3,379,247 net of HST recoveries) to \$4,820,800 net of all applicable taxes and charges (\$4,905,647 net of HST recoveries).
 - b) Increase the value of Blanket Contract 47024892 issued to Gatestone & Co Inc. by \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of HST recoveries) from \$2,630,601 net of all applicable taxes and charges (\$2,676,899 net of HST recoveries) to \$3,630,601 net of all applicable taxes and charges (\$3,694,499 net of HST recoveries).
 - c) Increase the value of Blanket Contract 47024893 issued to Partners in Credit Inc. by \$600,000 net of all applicable taxes and charges (\$610,560 net of HST recoveries) from \$2,604,800 net of all applicable taxes and charges (\$2,650,644 net of HST recoveries) to \$3,204,800 net of all applicable taxes and charges (\$3,261,204 net of HST recoveries).

FINANCIAL IMPACT

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.

Funding is available in the 2026 Operating Budget for Court Services in Cost Centre CT2000 and additional funding for the balance of the term will be included in the 2027 and 2028 Operating Budget Submissions. Additional details follow on Table 1:
Table 1: Financial Impact Summary of Recommended Contract Amendments

Supplier Name	Contract Number	Cost Centre	2026	2027	2028	Total
						(Net of Harmonized Sales Tax Recoveries)
CBV Collection Services Ltd.	47024891	CT2000	\$562,500	\$750,000	\$187,500	\$1,500,000
Gatestone & Co Inc.	47024892	CT2000	\$375,000	\$500,000	\$125,000	\$1,000,000
Partners in Credit Inc.	47024893	CT2000	\$225,000	\$300,000	\$75,000	\$600,000
Total			\$1,162,500	\$1,550,000	\$387,500	\$3,100,000

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

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>

CBV Collection Services Ltd. contract number 47024891 was amended on April 8, 2024, by \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of HST recoveries) and was amended on December 13, 2024 by \$1,000,000 net of all applicable taxes and charges (\$1,017,600 net of HST recoveries) increasing the value of the contract by \$2,000,000 net of all taxes and charges (\$2,035,200 net of HST recoveries).

Gatestone & Co Inc. contract number 47024892 was amended on July 18, 2024, by \$475,000 net of all applicable taxes and charges (\$483,360 net of HST recoveries) and was amended on December 13, 2024 by \$750,000 net of all applicable taxes and charges (\$763,200 net of HST recoveries) increasing the value of the contract by \$1,225,000 net of all taxes and charges (\$1,246,560 net of HST recoveries).

Partners in Credit Inc. contract number 47024893 was amended on July 18, 2024, by \$450,000 net of all applicable taxes and charges (\$457,920 net of HST recoveries) and was amended on December 13, 2024 by \$750,000 net of all applicable taxes and charges (\$763,200 net of HST recoveries) increasing the value of the contract by \$1,200,000 net of all taxes and charges (\$1,221,120 net of HST recoveries).

COMMENTS

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. The ability to use collection agencies to enforce defaulted Provincial Offences Act fines is provided under Section 165(9) of the Provincial Offences Act and Section 240 of the *City of Toronto Act, 2006*. Section 70.1(1) of the Provincial Offences Act 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, 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

Sergio Guillermo, Director, Administration and Support Services, Court Services, 416-338-6806, Sergio.Guillermo@toronto.ca

Clarman Yang, Manager, Purchasing Client Services, Purchasing and Materials Management, 416-392-1302, Clarman.Yang@toronto.ca

SIGNATURE

Dianne Kasias,
Executive Director, Court Services

Geneviève Sharkey
Chief Procurement Officer