
MEMORANDUM

JBM-C 10-2019

Subject: Collection Agency RFP Results

Date: November 18, 2019

To: Joint Board of Management, Niagara Region Courts

From: Jackie Foley, Acting Manager

Court Services Collections staff leverage various tools to collect delinquent Provincial Offence Act "POA" fines including demand notices, suspension of driver's licences, plate denials, add to tax role and various methods of civil enforcement including garnishments and Writs of Seizure and Sale. In addition to internal efforts, Niagara Region has engaged third party collection agencies to assist with the collection of delinquent POA fines since 2004.

The most recent RFP was posted in 2014 for collection agencies services and provided for a maximum term of five years. In July 2019, in light of the fact that the current contracts were set to expire on October 31, 2019, Niagara Region posted an RFP on behalf of a number of participating municipalities to solicit proposals from collection agencies for the collection of delinquent POA fines and other municipal debts. The RFP process was completed ahead of schedule and new contracts were executed before October 31, 2019 resulting in a seamless transition.

In response to the July 2019 RFP seventeen agencies expressed interest in providing services resulting in fourteen proposal submissions.

Following the closing of the posting, an evaluation team was formed. The team consisted of seven representatives, one from each of the following municipalities:

- Niagara Region
- City of Barrie
- Town of Caledon/Dufferin
- City of Brampton
- County of Norfolk
- City of Peterborough
- County of Lambton

After the evaluation was completed, the following six agencies had technical scores high enough to pass the threshold and were awarded a contract:

- Credit Bureau Services of Canada
- CBV Collection Services

- EOS
- Partners in Credit
- Credit Bureau of Canada Collection – Collectcents
- Commercial Credit Adjusters

Commission rates range between 12.00% and 14.50% for first placement, 17.50% to 24.00% for second placement, and 29.50% to 44.00% for third placement.

There are more than 51,000 delinquent POA cases with a total dollar value exceeding 49 million dollars.

Prior to the issuance of the 2019 RFP, collections staff conducted a review of the delinquent fine inventory and prior distribution strategies. Staff consulted with collection experts and networked with other POA courts in the development of a new strategy for the distribution of delinquent inventory. The new strategy expects to promote higher fine payments and ensure appropriate efforts and tools are utilized.

The new strategy takes into account the age of delinquency and amount of time the case is placed with an agency. Distribution of the current delinquent inventory will be as follows:

- cases less than 2 years overdue will be placed with an agency as first placement for six months;
- cases 2 to 6 years overdue will be placed with an agency as second placement for 9 months;
- cases more than 6 years overdue will be placed with an agency as third placement for a minimum of 9 months.

The new contracts will run from November 1, 2019 for a period of 3 years with an option to renew for up to two 1-year terms.

Staff will monitor the effectiveness of the new strategy and provide updates as part of the regular financial reporting to JBM.

Respectfully submitted and signed by

Jackie Foley
Acting Manager, Court Services