

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, July 8, 2025
Subject	<b>Administrative Penalty System for Automated Speed Enforcement and Red Light Camera Violations</b>

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## Recommendation

1. That report number 2025-270 entitled Administrative Penalty System for Automated Speed Enforcement and Red Light Camera Violations, be received.
  2. That Council approve the transition of Automated Speed Enforcement and Red Light Camera violations to an administrative penalty system, under and in accordance with the requirements of Ontario Regulation 355/22 made under the *Highway Traffic Act*, R.S.O. 1990, to take effect on or about January 1, 2026.
  3. That the Mayor and Clerk be authorized to execute any necessary agreements with the Ministry of the Attorney General, Ministry of Transportation, and any other government agency that may be required to transition Automated Speed Enforcement and Red Light Camera violations to an administrative penalty system.
  4. That a new Administrative Penalty By-law for Contraventions Detected Using Camera Systems, substantially in the form attached as Attachment-1, be approved.
  5. That a by-law to amend By-law Number (2025)-21056, being the Screening and Hearing Officer By-law, substantially in the form attached as Attachment-2, be approved.
  6. That the City Solicitor be directed to update the policies, guidelines and procedures that apply to the administrative penalty system, as needed to give effect to the transition of Automated Speed Enforcement and Red Light Camera violations to an administrative penalty system, and make them publicly available on the City's website.
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## Executive Summary

### Purpose of Report

The purpose of this report is to provide City Council with an overview of the governance and administrative requirements needed to expand the City of Guelph's Administrative Penalty System (APS) to apply to designated offences under the *Highway Traffic Act*, R.S.O. 1990, c. H.8 9 (the *Highway Traffic Act*). Staff recommend and are seeking Council direction to transition camera detected charges

under the City's Automated Speed Enforcement (ASE) and Red Light Camera (RLC) programs to an APS, to take effect on or about January 1, 2026.

## **Key Findings**

- Municipalities have the power to establish administrative penalty systems and to charge administrative penalties pursuant to section 102.1 of the *Municipal Act, 2001*, S.O. 2001, c.35 and Ontario Regulation 333/07: Administrative Penalties, made thereunder.
- On February 25, 2025, Council approved the governance and administrative requirements necessary to establish the City's Administrative Penalty System. The APS came into effect as of May 1, 2025. Currently, only parking by-laws are designated as subject to APS.
- Under the *Highway Traffic Act* and Ontario Regulation 355/22: Administrative Penalties for Contraventions Detected Using Camera Systems, the City can establish an administrative penalty and dispute resolution process for designated *Highway Traffic Act* violations issued through camera systems.
- Currently, ASE and RLC violations are governed by the *Provincial Offences Act*, R.S.O. 1990, c. P.33 (POA) and processed through the POA court system.
- The City of Guelph, through Court Services, is responsible for courts administration and court support functions under the POA and prosecutions of all matters commenced under Parts I and Parts II as well as certain matters commenced under Part III and Part IX of the POA, in accordance with a Transfer Agreement and Interim Transfer Agreement with the Attorney General.
- The POA court system is experiencing significant case backlogs, long trial delays, and is an expensive and resource-intensive method of administering minor offences such as parking and speeding violations under the *Highway Traffic Act*, relative to the prosecution of more serious offences under Part III of the POA. The systemic delays in the POA court system due to overburden and under-resourcing detract from the compliance objective of behaviour-regulating contraventions.
- Legal and Court Services, in consultation with Engineering and Transportation Services, recommend that the City transition ASE and RLC violations to the APS as an alternative to the POA court system.

## **Strategic Plan Alignment**

Adopting an administrative penalty structure for Automated Speed Enforcement and Red Light Camera violations will advance the City of Guelph's Vision Zero, increase public safety, and increase efficient dispute resolution with the additional benefit of more efficient use of judicial and court administration resources.

## **Future Guelph Theme**

Foundations

## **Future Guelph Objectives**

Foundations: Provide excellent service

## **Financial Implications**

The enforcement of regulatory offences, including *Highway Traffic Act* contraventions detected using camera systems, are not designed to be revenue generation tools for municipalities. The fines and penalties associated with these offences are for the purpose of deterring behaviour that has been determined to be

a risk to public safety. The penalty amounts for ASE and RLC contraventions through an administrative penalty system are the same as fines for such offences issued under the *Provincial Offences Act*. However, the transition of charges from the POA system to APS may have financial implications.

Under APS there is anticipated to be increased efficiency and system capacity to process penalties, as compared to the POA court system. In a POA court system, the maximum number of ASE charges that the court system can support is 16,000 charges annually. RLC charges are not currently subject to a cap due to historically manageable volumes. The APS will not be as constrained as the court system, but will be self-limited in capacity based on staffing. Expansion of the ASE program (and potentially RLC in the future) is logically anticipated to increase charge volumes, and combined with the more efficient resolution of disputes through APS, staff estimate increase revenue transfers to Engineering and Transportation Services. The diversion of ASE and RLC charges from the POA system will also exclude these revenues from the net revenue transfer to the County of Wellington under the Inter-Municipal Service Agreement, under which the City operates the POA court and carries out prosecutions for the Guelph court service area including the City of Guelph and other municipalities and townships in Wellington County.

For the purpose of forecasting financial implications, the following assumes an increase to 20,000 ASE charges and 2800 RLC charges (based on historical volumes) and 2025 budgeted expenses. Under these assumptions, in the POA court system the transfer to Engineering and Transportation for ASE charges is estimated to be \$597,915, and the transfer for RLC charges is estimated to be \$301,210. Under an APS system, based on the same assumptions, the transfer to Engineering and Transportation for ASE charges is estimated to be \$721,054 and the transfer for RLC charges is estimated to be \$381,086. It is important to emphasize that the foregoing estimates do not include additional staffing expenses in the calculation of the revenue transfers. At the existing staffing level of one Screening Officer the APS will have limited capacity. Significant increase in charge volumes would require additional staffing to maintain the efficiency of the APS system and those increased expenses would be deducted from revenue transfers.

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## **Report**

### **Purpose**

The purpose of this report is to provide Council with an overview of the governance and administrative requirements to expand the City of Guelph's Administrative Penalty System (APS) to include Automated Speed Enforcement (ASE) and Red Light Camera (RLC) violations, proposed to take effect on or before January 1, 2026.

Legal and Court Services, in Consultation with Engineering and Transportation Services, recommend the transition of ASE and RLC charges and disputes from the POA court system to the City-administered APS. The report requests Council approval of several recommendations to establish an expanded APS for *Highway Traffic Act*, R.S.O. 1990, (the *Highway Traffic Act* or HTA) violations detected using camera systems. Under the proposed by-law the offence of speeding under section 128(1) and the offence of failing to stop at a red light under section 144(18) of the *Highway Traffic Act*, detected using camera systems, are designated as provisions subject to APS.

The penalties from these *Highway Traffic Act* contraventions for speeding and failing to stop at a red light are for the purpose of deterring behaviour and promoting compliance, which advances the City of Guelph's Vision Zero. APS will streamline the dispute resolution process from a customer service perspective, provides for efficient use of resources, increases the amount of court time available for the adjudication of other matters, and allows the City to avoid a backlog of disputes in the future. Administrative penalty systems are an effective method of enforcement and dispute resolution, and contribute to trust and confidence in the justice sector.

## **Background**

Municipalities have the power to establish administrative penalty systems and to charge administrative penalties pursuant to section 102.1 of the *Municipal Act, 2001*, S.O. 2001, c.35 and Ontario Regulation 333/07: Administrative Penalties, made thereunder. On February 25, 2025, Council approved the governance and administrative requirements necessary to establish the City's APS. The APS came into effect as of May 1, 2025. Currently, only parking by-laws are designated as subject to APS.

Under the *Highway Traffic Act* and Ontario Regulation 355/22: Administrative Penalties for Contraventions Detected Using Camera Systems, the City can establish an administrative penalty and dispute resolution process for specific *Highway Traffic Act* violations issued through camera systems.

Currently, ASE and RLC charges are governed by the *Provincial Offences Act*, R.S.O. 1990, c. P.33 (POA) and processed through the POA court system. The City of Guelph, through Court Services, is responsible for courts administration and court support functions under the POA and prosecutions of all matters commenced under Parts I and Parts II of the POA, as well as certain Part III and Part IX matters, in accordance with a Transfer Agreement and Interim Transfer Agreement with the Attorney General. The City operates the court and carries out prosecutions for the Guelph court service area, including the City of Guelph and the municipalities and townships in Wellington County pursuant to an Inter-municipal Service Agreement.

The POA court system is experiencing significant case backlogs, lengthy trial delays, and is an expensive and resource-intensive method of administering minor offences, relative to the prosecution of more serious offences under Part III of the POA. The systemic delays in the POA court system due to overburden and under-resourcing detract from the compliance objective of behaviour-regulating contraventions such as ASE and RLC.

## **Overview of Administrative Penalty System**

Ontario Regulation 355/22 under the *Highway Traffic Act* outlines the dispute resolution procedures that must be in place to govern the system of administrative penalties for contraventions detected using camera systems. The procedures prescribed under the regulation and the City's APS by-laws and policies ensure timely and fair dispute resolution services to improve the customer experience, contribute to public safety by building capacity within the court system and support a more efficient resolution of disputes and expedited payment of penalties.

Under an APS governed by O.Reg. 355/22 of the HTA, those who wish to commence an appeal of an administrative penalty can submit a request online or in-person for a review of the penalty by a Screening Officer. The Screening Officer can confirm, vary or set aside the penalty amount, including any administrative fee,

upon the grounds set out in the Administrative Penalty By-law. A Screening Officer can also approve an extension of time to request a screening review, an extension of time to pay the penalty, and payment plans as set out in the Administrative Penalty By-law. This differs from the current court-based process where only a Justice of the Peace can adjudicate disputes and approve payment plans as part of a court proceeding following a court appearance.

Under the APS, when an owner's administrative penalty is affirmed or varied by a Screening Officer, the owner has the right to have the Screening Officer's decision reviewed by a Hearing Officer. Hearing Officers may confirm, vary or set aside the decision of a Screening Officer. A Hearing Officer can approve an extension of time to request a hearing review, an extension of time to pay the penalty, and payment plans. The *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22 applies to a review by a Hearing Officer. Hearing Officers are independent and hired on a per-diem basis under contract. City employees are not eligible to be appointed as Hearing Officers.

Council does not have the authority to set penalty amounts and fees for ASE and RLC contraventions. The penalty amounts and fees that can be applied to *Highway Traffic Act* contraventions detected using camera systems are prescribed by O.Reg. 355/22 under the HTA. The penalty amounts are calculated in accordance with a formula set out in the regulation. There is no difference between the penalty amounts for ASE and RLC contraventions issued through an APS and the fines issued under the POA. The administrative fees that can be applied, *i.e.*, for late payment of non-appearance at a scheduled hearing, are also set in O.Reg. 355/22 and are listed in a schedule to the proposed Administrative Penalty By-law for contraventions detected using camera systems (Attachment-1). The regulation also requires the City to collect and remit a surcharge to the victims' justice fund, which is also applied to charges under the POA.

## **APS and Vision Zero**

The City's Automated Speed Enforcement and Red Light Camera programs are important components of the City's Vision Zero Road Safety Plan. Data suggests that ASE and RLC programs facilitate positive road safety outcomes and promote desirable driving behaviours. They are shown to reduce speeds, which is a significant factor in collisions – higher speeds increase reaction distances and braking distances, which lowers survival rates, particularly in collisions involving pedestrians.

In August 2025, eight (8) cameras will be added to the City's ASE program, expanding the program to a total of twelve (12) cameras. Dispute resolution of ASE contraventions through APS will allow the City to efficiently respond to fluctuating Automated Speed Enforcement dispute levels arising from the increase in the number of cameras. The transition will enable the City to avoid a backlog of ASE charge disputes. At the same time, dispute resolution of these matters through APS frees up capacity within the overburdened POA court system for more serious offences.

## **Implementation**

To implement the transition of designated *Highway Traffic Act* contraventions to the APS, a new Administrative Penalty By-law for Contraventions Detected Using Camera Systems must be passed, to give effect to the requirements under O.Reg.

355/22. The Screening and Hearing Officer By-law must be amended to comply with the requirements under O.Reg. 355/22. The proposed by-laws are attached as Attachment-1 and Attachment-2, respectively. If and when approved by Council, the by-laws will be posted on the City's website along with information and guidance on exercising rights under the APS for persons who receive a penalty order for speeding.

The City's APS is also governed by the following policies and guidelines:

- Appointment Screening and Hearing Officers Policy;
- Conflict of Interest and Code of Conduct;
- Financial Management and Reporting;
- Preventing Political Interference;
- Undue Hardship;
- Public Complaints;
- Hearing Officer Adjudication Guide.

The policies and guidelines were originally drafted in contemplation of potential expansion of the APS beyond parking, but may require some conforming changes as the transition is implemented.

Existing case management system is not sufficient to administer camera-based APS matters and Court Services will need to procure a case management system capable of meeting the provincial reporting requirements dictated by the Ministry of Attorney General. This is included in Court Services' capital budget for technology upgrades.

### **Operational Agreements with MTO**

The City will need to enter into operational agreement(s) with His Majesty the King in Right of Ontario, as represented by the Minister of Transportation (MTO), for the access and use of licence plate registration information in relation to administrative penalty proceedings for ASE and RLC violations.

The new operational agreements with the MTO are on substantially the same terms as the existing agreements with MTO to access licence plate information in relation to ASE and RLC proceedings under the POA. The City is required to pay fees to MTO in order to access vehicle owner information that is necessary to mail notifications related to the offence. The operational agreements outline licensed information and transmission protocols and specify the responsibilities and requirements of the City to access the licence plate ownership information. The City is required, among other things, to:

- Use licence plate ownership information only for the purposes authorized in the agreements;
- Maintain staff and system security provisions to protect confidential information;
- Comply with applicable privacy laws;
- Post signs at camera-based enforcement sites to alert motorists;
- Provide reports to the MTO;
- Pay a fee to the MTO for each information request;
- Adhere to the provincial criteria and requirements; and
- Operational Agreements with Attorney General.

The City will also need to enter into agreement(s) with His Majesty the King in Right of Ontario, as represented by the Attorney General (MAG), in relation to camera

systems administrative penalty enforcement programs. These agreements are required in order for the City to access the Defaulted Fines Control Centre (DFCC) to transmit requests to the Registrar of Motor Vehicles, to refuse to issue or validate vehicle permits for unpaid administrative penalties, and for the remittance of penalty amounts collected by the MTO to the City; and for the victim component of the administrative penalty to be remitted to MAG to be credited to the victims' justice fund. The victims' justice fund remittances are regulated by O. Reg 355/22 and are a surcharge amount added to a base administrative penalty amount.

The Agreement with MAG contains provisions outlining, among other things:

- The victim component requirements, including calculation, timing and frequency;
- Requirements for sending plate licence denial requests to MTO through the DFCC interface;
- Reporting requirements to MAG;
- A \$20.00 DFCC Charge per plate denial request; and
- Technical requirements for submitting matters to the DFCC.

### **Agreement with the City of Toronto Joint Processing Centre and Installation Vendor**

Under the City's existing ASE and RLC programs, the City is already a Partnering Municipality under agreements with the City of Toronto for the joint municipal processing centre, including the City's cost-sharing of the expenses of the joint municipal processing centre (the "JPC Agreement"). The joint processing centre reviews all photos, assists with warning letters, processes evidence, issues penalty notices and prepares evidence to be used in appeals of ASE and RLC charges. As a requirement of the JPC Agreement for ASE, the City is also party to an agreement with Reflex Traffic Systems (Canada) Incorporated, for the provision of ASE-related services, including camera installation and maintenance. As a requirement of the JPC Agreement for RLC, the City is also party to an agreement with JENOPTIK Smart Mobility Solutions, LLC, for the provision of RLC-related services, including camera installation and maintenance.

### **Financial Implications**

The enforcement of regulatory offences, including *Highway Traffic Act* contraventions detected using camera systems, are not designed to be revenue generation tools for municipalities. The fines and penalties associated with these offences are for the purpose of deterring behaviour that has been determined to be a risk to public safety. The penalty amounts for ASE and RLC contraventions through an APS are the same as fines for such offences issued under the POA. However, the transition of ASE and RLC charges from the POA system to APS may have financial implications. Under APS there is anticipated to be increased efficiency and system capacity to process penalties, as compared to the POA court system. The diversion of ASE and RLC charges from the POA system will also exclude these revenues from the net revenue transfer to the County of Wellington under the Inter-Municipal Service Agreement, under which the City operates the POA court and carries out prosecutions for the Guelph court service area including the City of Guelph and other municipalities and townships in Wellington County.

In a POA court system, the maximum number of ASE charges that the court system can support is 16,000 charges annually. RLC charges are not currently subject to a

cap due to historically manageable volumes. The APS will not be as constrained as the court system, but will be self-limited in capacity based on staffing. Expansion of the ASE program (and potentially RLC in the future) is logically anticipated to increase charge volumes, and combined with the more efficient resolution of disputes through APS which is not subject to revenue sharing under the Inter-Municipal Service Agreement, staff estimate increased revenue transfers to Engineering and Transportation Services.

For purpose of forecasting financial implications, the following assumes an increase to 20,000 ASE charges and 2800 RLC charges (based on historical volumes) and 2025 budgeted expenses. Under these assumptions, in the POA court system the transfer to Engineering and Transportation for ASE charges is estimated to be \$597,915, and the transfer for RLC charges is estimated to be \$301,210. Under an APS system, based on the same assumptions, the transfer to Engineering and Transportation for ASE charges is estimated to be \$721,054 and the transfer for RLC charges is estimated to be \$381,086. It is important to emphasize that the foregoing estimates do not include additional staffing expenses in the calculation of the revenue transfers. At the existing staffing level of one Screening Officer the APS will have limited capacity. Significant increase in charge volumes would require additional staffing to maintain the efficiency of the APS system and those increased expenses would be deducted from revenue transfers.

## **Consultations and Engagement**

Engineering and Transportation Services

## **Attachments**

Attachment-1 Administrative Penalty By-law for Contraventions Detected Using Camera Systems

Attachment-2 By-law to amend Screening and Hearing Officer By-law

## **Departmental Approval**

None.

## **Report Author**

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## **This report was approved by:**

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