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YORK REGION TRANSIT FARE ENFORCEMENT AND FINES

The Transit Committee recommends the adoption of the recommendation contained in the following report, August 25, 2006, from the Commissioner of Transportation and Works:

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

The purpose of this report is to provide Transit Committee and Regional Council with a status update on projected fine revenues relating to York Region Transit (YRT)/Viva enforcement activities in 2006. This is a follow-up to the staff report submitted to the March 2006 Transit Committee meeting which outlined the progress of the enforcement program.

3. BACKGROUND

The Viva bus rapid transit service operates on the premise that customers must purchase their fares at vending machines at stations before boarding the bus. This improves travel time and convenience by allowing the customers to board and exit the vehicle from all doors with no screening of fare media by the driver. The off-board fare payment process is an honour system, commonly known as Proof-of-Payment, and is also being used on GO rail services as well as on the TTC Queen street-car line.

York Region Transit (YRT)/Viva enforcement officers initiated the fare enforcement program at the launch of Viva service in September 2005. The initial focus related to fare payment was education and customer service. Over the next four months, additional phases of Viva were being launched and enforcement activity continued to focus on education but included written warnings. By January 2006, the last phase of Viva was launched and fines were being issued, with discretion, to customers who did not possess valid fare media.

YRT staff submitted an information report on the fare enforcement program to the March Transit Committee meeting. Questions were raised at the subsequent Regional Council meeting concerning fine revenues. This report is in response to those questions.

4. ANALYSIS AND OPTIONS

4.1 Fine Recovery

Regional Council, at its April 21, 2005 meeting, approved By-Law No. R-1415-2005-028. This by-law regulates the payment of transit fares and the conduct of passengers on transit vehicles and at transit facilities in the Region. Regional Council also approved a recommended Set Fines Schedule, which establishes the level of fines for acts in violation of the by-law. Currently, the vast majority of fines are for infractions related to failure to show a ticket and travel without proof-of-payment. All of the set fines in the by-law, including the two noted above, are \$150. This fine level includes a \$120 set fine, \$25 victim of crime surcharge and a \$5 court cost.

The 2006 Business Plan and Budget established an amount for fine revenue that was based on the assumption that most customers who were not in possession of valid fare media would be fined under the by-law. In order to maintain a high degree of customer service, a program to issue verbal and written warnings was established, thus lowering the number of actual fines being issued.

It was initially calculated that fine revenues would be recovered at the full set fine amount of \$120. Upon reviewing the actual fine revenues recovered by the courts from January to May 2006, approximately 18% of those fines were levied at less than the set fine amount, resulting in a reduction in projected recovered fines.

In addition, the revenue ridership on Viva is expected to be lower than original budget projections by some 2.5 million passengers. Therefore, the number of passengers fined is also lower. It should be noted, however, that YRT conventional revenue ridership is higher than originally projected for 2006 and will make up a large part of the difference.

4.2 Relationship to Vision 2026

The establishment of an enforcement section satisfies a number of Vision 2026 principles related to customer-centred services, partnerships and safety. This is achieved by providing front-line staff members who are in direct contact with the public, and through the partnership with York Regional Police, an elevated level of security is provided that ensures customers have the freedom to enjoy safe travel on YRT and Viva services.

5. FINANCIAL IMPLICATIONS

The 2006 Business Plan and Budget contains forecasted revenues in the amount of approximately \$319,000 from fines generated from infractions to the transit by-law. As 2006 is the first full year of YRT/Viva enforcement, fine revenues were estimated based on projected ridership and fare evasion rates. Therefore, historical information could not be used to project budgeted revenues.

The number of transit fare evasion violations resulting from the issuance of fines has been examined from January to June 2006. Based on analysis of this information, it is estimated that fine revenue recovery will be closer to \$130,000 by year end. Cost savings related to salary gapping and lower than anticipated fare collection costs will offset the projected shortfall in revenue of \$189,000.

When YRT enforcement staff issue a ticket for fare evasion under the transit by-law, the courts collect these funds upon payment. As anticipated, actual fine revenue from the Province is scheduled to be released in July 2006 which will cover the first six months of 2006. The fine revenue is expected to be reallocated to the Region on a quarterly basis thereafter. The current projection of the recovery of fine revenue was estimated based on recovery rates at GO Transit and the TTC.

6. LOCAL MUNICIPAL IMPACT

Enforcement activity on Viva services and at the stations provides enhanced community safety.

7. CONCLUSION

It is estimated that revenue generated from fare evasion fines will be lower than budgeted. As 2006 is the first full year of fare enforcement activity, the fine revenues were estimated based on projected ridership numbers and fare evasion rates. In preparation of the 2007 Business Plan and Budget, staff will utilize actual fine revenues received in 2006 which will allow for greater budget accuracy. Staff will continue to monitor this issue.

The Senior Management Group has reviewed this report.