



Fare Compliance Action Plan

Date: July 15, 2024

To: TTC Audit and Risk Management Committee

From: Chief Strategy and Customer Experience Officer
Chief Financial Officer

Summary

At the March 2024 Audit and Risk Management Committee (ARMC) meeting, the TTC's Audit Risk and Compliance Department (ARC) presented a Fare Evasion Study which reported an estimated \$140 million in passenger revenue loss due to fare evasion across all modes. This is approximately double the amount reported in 2019 by the City of Toronto's Auditor General (AG) in the Fare Evasion Report.

In response to the ARC report, TTC management presented a number of initiatives that were completed, underway, and to begin, as measures to encourage and improve fare compliance across the TTC. The ARMC directed staff to report back to the TTC Board with a detailed implementation plan and timelines. In considering the report from the AG on the status of outstanding recommendations, the TTC Board, at its June meeting, requested staff to report back through the ARMC on the status of these recommendations.

In response to the Board directives, this report presents the TTC's Fare Compliance Action Plan that lays out initiatives and timelines to increase fare compliance, informed by ARC findings, AG recommendations and workshops with staff and bus Operators, as outlined in Attachment 1. The report also provides a status of the remaining recommendations from the 2019 Auditor General's Phase One Fare Evasion Report, as outlined in Attachment 2.

The Fare Compliance Action Plan includes two phases. Phase One includes 49 Immediate Response Action Items, being delivered through existing TTC resources in four key areas: Education, Environment, Enforcement, and Equity. The TTC's initial efforts have focused on (i) reinforcing the environment (ii) increasing staff presence through strategic deployment, and (iii) raising customer awareness of the consequences of non-payment of fares. This is a dynamic plan with data analysis being used to assess the impact of these measures, monitor results, and identify additional opportunities. Preliminary results indicate improvements as a result of actions taken to date. While no formal revenue targets have been established with the first phase of this Action Plan, the primary goal of this phase is to stem current fare evasion rates and assess the impact the immediate actions have on the trajectory of fare compliance and revenue

capture. Staff will monitor progress on implementing these initiatives and provide regular updates to the Board on the impact of these measures.

Phase Two initiatives have also commenced. This phase focuses on developing a broader Fare Compliance Strategy, including:

- Further benchmarking and engagement with other transit authorities;
- Assessing key matters that examine the implications of system-wide fare compliance strategies on service delivery and customer experience and,
- Exploring the use of technology and other innovation opportunities.

The broader strategy, key directions and revenue targets for Phase Two are currently expected to be reported on by Q4 2025 upon completion of Phase Two.

Implementing the Fare Compliance Action Plan is a cross-organizational initiative engaging most of the TTC's 17,000 employees to effectively deliver.

Recommendations

It is recommended that the Audit and Risk Management Committee:

1. Endorse the Fare Compliance Action Plan as outlined in this report, comprising of the following areas of focus: Education, Environment. Enforcement and Equity.
2. Direct TTC staff report back to the Audit & Risk Management Committee with the broader Fare Compliance Strategy and key directions by Q4 2025.
3. Receive for information, the TTC staff report on the status of the recommendations from the 2019 Auditor General's Phase One Fare Evasion Report, as outlined in Attachment 2, with the expectation of receiving further progress semi-annually.
4. Forward this report to the TTC Board for information.

Financial Summary

Since 2018, three studies have been undertaken to establish the loss of passenger revenue from the evasion of TTC fare payment. In 2018, the City of Toronto Auditor General's Fare Evasion Audit estimated a revenue loss of \$60.7 million, representing 5.4% of total Conventional passenger revenue. This estimate was further corroborated by the TTC's Fare Evasion Study completed in 2019 by the Audit Risk and Compliance (ARC) Department which estimated the TTC's revenue loss due to fare evasion at \$70.3 million or 5.7% of total Conventional passenger revenue.

The Fare Evasion Study completed by the ARC Department in October 2023 concluded that the TTC's estimated fare evasion rate of 11.9% across all modes resulted in a loss in passenger revenue of approximately \$123.8 million. Coupled with an estimated loss of fare payments of \$17.1 million due to the receipt of partial fare values, the TTC was not capturing a total of \$140.9 million as a result of fare evasion throughout its system.

Table 1 below summarizes the passenger revenue loss and fare evasion rates estimated at completion of these studies by mode and overall, providing the pre and post pandemic trend. While it is evident that the 2023 results show a doubling of the revenue loss and evasion rate, this trend is not exclusive to the TTC. Transit authorities in North America have experienced similar results, most notably as high as 14% overall and [45%](#) for fare evasion on bus and 13% on subway at MTA.

Table 1: Comparison of Fare Evasion Study Results

Mode	2018 AG		2019 ARC		2023 ARC	
	Fare Evasion Rate	Revenue Loss	Fare Evasion Rate	Revenue Loss	Fare Evasion Rate	Revenue Loss
Streetcar	15.20%	\$12.2M	15.90%	\$23.0M	29.60%	\$30.2M
Bus	5.10%	\$30.1M	6.30%	\$34.4M	12.90%	\$67.1M
Subway	3.70%	\$18.4M	2.40%	\$12.9M	6.30%	\$26.5M
Total	5.4%*	\$60.7M	5.7%*	\$70.3M	11.9%*	\$123.8M**

*Weighted average fare evasion rate is weighted based on ridership per mode.

** Partial Fares analysis led to an additional estimated loss of \$17.1million.

The Auditor General’s fare evasion audit findings resulted in 27 recommendations and the 2023 ARC Department’s Fare Evasion Study provided five key observations to address post-COVID rates of fare evasion. The recommended Fare Compliance Action Plan has been established in response to the fare evasion rate and the actions have been developed to address the outstanding applicable AG recommendation and the ARC Department’s observations and ideas generated through workshops held with staff and bus Operators.

No formal revenue targets have been established with Phase One of the Fare Compliance Action Plan. The primary goal of this phase is to stem current fare evasion rates and assess the impact that the immediate actions have on the trajectory of fare compliance and revenue capture. The development of a broader Fare Compliance Strategy in Phase Two will establish formal revenue targets with the conclusion of this phase of work.

To date, the TTC has relied on the use of existing resources to fully implement eight AG recommendations and others that are currently underway but are not fully implemented. Further Capital funding of \$2.511 million has been approved, with \$1.445 million to implement the Body-Worn Camera pilot and \$1.066 million to provide Fare Inspectors with Mobile By-Law Ticketing Devices.

Similarly, implementation of the first phase of the Fare Compliance Action Plan relies on the use of existing resources, through the establishment of a working group co-led by the Chief Strategy and Customer Experience Officer and the Chief Financial Officer. The need for dedicated resources will be required to formally establish an enterprise-wide Fare Compliance Program at the TTC, and is being assess for annual budget consideration.

The TTC's 2024-2028 Corporate Plan includes the priority action, "Protect Revenue by Building a Culture of Fare Payment Compliance" as a means of maximizing revenue in support of Strategic Direction 5, *Address Structural Fiscal Imbalance*. Resource requirements to implement Phase One of the Fare Compliance Action Plan will be incorporated in the Q3 2024 report back to the TTC Board on the Corporate Plan's implementation which is also informing the 2025 Budget.

Any resource requirements or capital investments that may be necessary to implement the findings arising from reviews identified in Phase Two (Strategy Development), will be identified for the Board's consideration as staff report back on the outcome of those reviews.

Equity/Accessibility Matters

The TTC is committed to promoting and supporting diversity and inclusion in all corporate policies, procedures, processes, programs and services in order to reflect and respond to the needs of its employees, contractors and customers.

The new Fare Compliance Actions Plan provides the TTC with an opportunity to advance the guiding principles of the fare inspection and collection program. Those principles are to reduce fare evasion across all modes, and to establish annual levels using a progressive model (from warnings to tickets), while continuing to ensure a fair and equitable program that considers the needs of all diverse users, including those who are unable to pay.

The TTC partners with the City of Toronto to provide accessible and affordable transit by supporting low income Torontonians who need help paying transit fares through the Fair Pass Program.

The TTC also embeds equity principles in Fare Enforcement principles as noted below.

The Fare Compliance Action Plan takes into account the Culture Change Program within Fare Inspection and Special Constable functions including the separation of responsibilities and the important work of new policies including Use of Discretion.

The Revenue Protection Department, responsible for managing the fare inspection program, has taken a holistic approach by examining and addressing people, processes, training and technology. [The Revenue Protection Culture Change Program \(RPCCP\)](#) pillars provide a framework to guide all work within the department.

The RPCCP has been the foundation for all work carried out by fare enforcement staff, with the objective of ensuring that the TTC delivers safety, security and revenue protection services that are customer-focused and founded in respect and dignity for customers and employees.

Decision History

At its May 18, 2017 meeting, City Council adopted a report from the Ombudsman Toronto entitled, Ombudsman Toronto Report: An Investigation into the Toronto Transit Commission's Oversight of its Transit Enforcement Unit. City Council requested the TTC to implement all of the Ombudsman's recommendations.

[Ombudsman Toronto Report: An Investigation into the Toronto Transit Commission's Oversight of its Transit Enforcement Unit \(City Council, April 26-28, 2017 and TTC Board, May 18, 2017\)](#)

At its July 10, 2018 meeting, the TTC Board received the Investigation Report dated June 28, 2018, regarding the Investigation into Incident dated February 18, 2018, Involving Transit Fare Inspectors.

[Investigation into Incident dated February 18, 2018 Involving Transit Fare Inspectors \(TTC Board, July 10, 2018\)](#)

At its meeting on July 16, 17 and 18, 2019, City Council had before it the Ombudsman Toronto Enquiry Report: Review of the Toronto Transit Commission's Investigation of a February 18, 2018, Incident Involving Transit Fare Inspectors. City Council adopted the recommendations contained within the Ombudsman Toronto report, and further directed the TTC to adopt the Toronto Action Plan to Confront Anti-Black Racism and work with the Confronting Anti-Black Racism Unit to address racism through ongoing learning and development initiatives. In addition, City Council requested that the TTC Board direct the TTC Chief Executive Officer to report to the Executive Committee in Q1 2020 on the status of implementation of the Ombudsman's recommendations.

[Ombudsman Toronto Enquiry Report: Review of the Toronto Transit Commission's Investigation of a February 18, 2018 Involving Transit Fare Inspectors \(City Council, July 16-18, 2019\)](#)

At its meeting on February 26, 2019 the TTC received 27 audit recommendations from the Auditor General. The implementation of these recommendations was expected to contribute to decreasing the TTC's fare evasion rates, increasing passenger revenue and improve the effectiveness and efficiency of the TTC's fare inspection program.

[Auditor General's Report – Review of Toronto Transit Commission's Revenue Operations: Phase One – Fare Evasion and Fare Inspection \(Audit and Risk Management Committee, February 26, 2019 and TTC Board, February 27, 2019\)](#)

At its meeting on September 24, 2019 the TTC Board had before it the TTC Status Update – Ombudsman Recommendations report. City Council received a summary of the TTC's initial steps taken toward developing a work plan to proactively enhance the TTC's efforts to combat all forms of racism, including anti-Black racism, anti-Indigenous racism, Islamophobia, Anti-Semitism and other forms of racism against racialized groups, through a comprehensive, system-wide, Anti-Racism Strategy. In addition, the report outlines the interim steps the TTC has taken toward implementing the Ombudsman Toronto's recommendations under the July 9, 2019 Enquiry Report. These steps included simplifying the Transit Fare Inspector complaint process and strengthening the independence of complaint investigations.

[TTC Status Update – Ombudsman Recommendations \(TTC Board, September 24, 2019\)](#)

At its meeting on February 25, 2020 the TTC Board received an update on the TTC's development of its Anti-Racism Strategy and progress on the Ombudsman's recommendations. Included on the February 25, 2020 agenda was an update on the TTC's Revenue Protection Strategy, on which a number of motions were made seeking to balance transit equity with approaches to addressing lost revenue. Going forward, status updates for the Revenue Protection Strategy will be presented at the same time as the Ombudsman Toronto Enquiry Report regarding the February 2018 Transit Fare Incident.

[TTC Status Update – Anti-Racism Strategy and Ombudsman Recommendations \(TTC Board, February 25, 2020\)](#)

At the same meeting on February 25, 2020 the TTC Board received, for information, the February 11, 2020 Audit Risk and Compliance Group's (ARC) Fare Evasion Study (2019). [Audit, Risk and Compliance: Fare Evasion Study \(2019\)](#).

At its meeting on May 13, 2020 the TTC Board received information on complaints received from customers in 2019 involving TTC Special Constables and Fare Inspectors. The report described the enhancements made to the TTC Special Constable and Fare Inspector public complaint processes. [TTC 2019 Annual Report – Public Complaints Involving Special Constables and Fare Inspectors \(TTC Board, May 13, 2020\)](#)

At its meeting on February 28, 2023 the TTC Board received an update on the Revenue Protection activities between June 2019 and December 2022. The [report](#) described the Fare Inspector deployment, methodology, proposed new technology enhancements and the resumption of ticketing following the COVID pandemic period where ticketing customers who failed to pay their fare was paused.

At its meeting on March 19, 2024 the Audit and Risk Management Committee received the report on the [Audit Plan Status Update](#) and a presentation on its 2023 Fare Evasion Study. The 2023 Fare Evasion Study found an estimated annual revenue loss due to fare evasion was \$123.8 million (bus: \$67.1 million, streetcar: \$30.2 million, stations: \$26.5 million) with an overall weighted fare evasion rate of 11.9% (bus: 12.9%, streetcar: 29.6%, stations: 6.3%).

At its meeting on April 11, 2024, the TTC Board approved the [Policies to Support the Revenue Protection and Special Constable Service Culture Change Program](#). The Use of Force, Use of Discretion and the Body-Worn and In-Car Camera policies were developed in response to the recommendations from the Ombudsman Toronto and various third-party reports.

At its meeting on June 5, 2024, the Audit and Risk Management Committee received a report on the [2024 Follow-Up Status of Previous Auditor General Recommendations](#) including the Phase One Fare Evasion and Fare Inspection 2019 recommendations.

At its meeting on June 20, 2024, the TTC Board passed [a motion](#) to direct staff to develop an action plan addressing the outstanding recommendations contained in the Auditor General's Report – Review of Toronto Transit Commission's Revenue Operations: Phase One – Fare Evasion and Fare Inspection, 2019 to be presented to

the Audit and Risk Management Committee prior to the July 17, 2024 TTC Board meeting.

Issue Background

In 2018 and 2019, the Toronto Auditor General (AG) and the TTC’s Audit Risk and Compliance (ARC) Department completed fare evasion studies and reported an overall evasion rate of 5.4% and 5.7%, respectively. The associated revenue loss for these studies was \$60.7 and \$70.3 million. Both fare evasion studies relied on statistical methodologies and utilized plain-clothed Transit Fare Inspectors and TTC Special Constables to support AG and ARC staff in making fare compliance observations.

The COVID-19 pandemic had a significant impact on the progress of the AG recommendations due to the suspension of fare enforcement activities in March 2020 and the shift toward enhancing customer education and safety as well as the impact on reduced staff resources due to the pandemic. During this same time the TTC focused on the implementation of Culture Change within Revenue Protection and Special Constable functions in response to Ombudsman recommendations developing new policy, training, and technology to mature its fare inspection program.

TTC Management requests updated Fare Evasion Review

Following the resumption of ticketing in April 2023, TTC management requested that the TTC’s ARC Department initiate a new fare evasion study to evaluate the current state of fare evasion on all modes at the TTC.

The 2023 Fare Evasion Study audit was undertaken between April and October 2023 and included 25,730 observations. The audit was completed using plain-clothed Fare Inspectors, with routes and stations randomly selected based on ridership volume, reviewing the Conventional transit system at most times of the day.

The 2023 Fare Evasion Study found an estimated annual revenue loss due to fare evasion is \$123.8 million (bus: \$67.1 million, streetcar: \$30.2 million, stations: \$26.5 million) with an overall weighted fare evasion rate of 11.9% (bus: 12.9%, streetcar: 29.6%, stations: 6.3%). Table 1 shows the comparative fare evasion study results.

Table 2: Summary of Estimated Passenger Revenue Loss

	Customer Bus Mode Use	Evasion rate	Estimated Revenue Loss(\$M)
Total Bus Fare Evasion	50%	12.9%	\$67.1
Total Streetcar Evasion	10%	29.6%	\$30.2
Total Subway Evasion	40%	6.3%	\$26.5
Total Evasion	100%	11.9%	\$123.8
Estimated Partial Fares			\$17.1
Total Fare Compliance Revenue Gap			\$140.9

In addition to the annual revenue loss due to fare evasion, the ARC Department also noted the following observations:

1. Revenue Protection strategies have unwittingly contributed to fare evasion (Operators, Collectors and Customer Service Agents are no longer disputing fares, Taps over Tickets, Fare Inspector deployment excluding buses and subways).
2. The TTC's operating environment, which includes physical barriers/assets (i.e. faregate, vending machines and other payment machines) and technology, inherently increases the likely occurrence of fare evasion.
3. Initiatives to improve customer experience and modernize the TTC's fare system have unintentionally created confusion and opportunities for fare evasion.
4. Oversight policies and regulations pertaining to fare enforcement and inspection have inadvertently created opportunities for fare evasion.
5. Disparities in fare enforcement and customer accessibility to all fare payment options give rise to potential equity concerns. These risks need to be examined and actively monitored to ensure fare compliance activities are fair and transparent.

Comments

Jurisdictional Scan of Fare Evasion

A jurisdictional scan was undertaken to determine benchmarks for fare evasion relative to other transit agencies. A 2022 study undertaken by Imperial College London and commissioned by COMET (Community of Metros Benchmarking Group that the TTC is a member of) found that the causes of fare evasion are complex and fall into both societal and transit systemic causes (see Table 3 below).

Table 3: Summary of Key Factors Contributing to Fare Evasion at Metros (Source COMET August 2022)

Societal Causes		Metro systemic causes		
Cultural Factors	Socioeconomic circumstances	Station design and protection	Security and enforcement	Fare structure, ticketing, complexity
Acceptability of fare evasion	Deprivation	Number of entrances and exits	Surveillance and CCTV	Flat / zonal / distance based fares
	Income		Staff presence	Ticket and pass options
Criminalisation of fare evasion	Crime	Presence of fare gates	Nature of enforcement	Availability of smart / mobile payments
	Employment			

The Imperial College London study identified that the openness of the transit system, the level of fines and penalties and the inspection rate and frequency were all factors that are critical to managing fare evasion. The variation of metros and evasion factors make direct comparisons to evasion rates difficult. Reportedly, though many agencies had experienced increased evasion rates as a result of a number of these factors.

To manage fare evasion there are three key factors:

Ease of system breach + Likelihood of getting caught + Consequences

In May 2023, the Metropolitan Transportation Authority (MTA) responsible for providing public transportation and managing roads and bridges for New York City reported an estimated \$690 million (US dollars) in unpaid fares for buses and subways. In response, the MTA took a systems approach strategy that went beyond the traditional reliance on fare enforcement as the primary solution.

The proposed TTC's Fare Compliance Action Plan is organized in two phases:

- 1) **Phase One: Immediate Response** to fare compliance in the current network using current resources, comprising 49 actions, which are principally underway.
- 2) **Phase Two: Strategic Review** to assess the implications of system-wide fare compliance strategies on service delivery and customer experience and opportunities to use technologies and other innovations; returning with a broader Fare Compliance Strategy, key directions and revenue targets by Q4 2025.

Phase One: TTC Fare Compliance Action Plan – Immediate Response

The TTC Fare Compliance Action Plan is principally informed by the ARC 2023 study and 2019 AG recommendations as they are specific to the conditions at the TTC. The Action Plan is also building on the learnings from the jurisdictional scan and will continue to be informed by participating working groups with other agencies experiencing similar trends in fare evasion.

Recognizing that enhancing fare compliance requires more than fare enforcement, the TTC's Fare Compliance Action Plan adopts a framework focused on Education, Environment, Enforcement, and Equity (4Es) to bring various TTC departments together to contribute to addressing fare evasion.

- **Education** – building public awareness of the impact of fare evasion and the importance of paying fares, and responding to the particular needs of students.
- **Environment** – improving the physical environment supporting fare collection such as fare gates, barriers and technology to reduce/eliminate fare evasion and using new technologies to make payment easier.
- **Enforcement** – ensuring the appropriate enforcement actions, resources, and fines are in place for those who fail to pay their fares.

- **Equity** – supporting low-income customers who need help paying transit fares and embedding equity principles in fare enforcement policies.

The following 49 Actions in *Phase One – Immediate Response* emerged as immediate actions to be taken following the findings of the 2023 ARC Fare Evasion Study. Immediate Response Actions focused on the areas of readiness and awareness for ticketing (consequences), hardening of the TTC station environment and increased staff presence within station and streetcars. These immediate actions are principally underway through existing resources and programs, extending across multiple TTC departments including Stations, Plant Maintenance, Fare Modernization, Research and Analytics, Finance, Revenue Protection, Special Constables and the Fare Card team working with Metrolinx. Workshops were held with leaders in Bus and Streetcar Transportation Services as well as bus Operators, contributing to the identification of actions items included in this first phase.

Fare Compliance Action Plan – Immediate Response

EDUCATION	ENVIRONMENT		ENFORCEMENT		EQUITY
	PHYSICAL INFRASTRUCTURE	FARE COLLECTION / MODERNIZATION	FARE INSPECTORS	FARE VALIDATION ROLES	
Enforcement Awareness	Faregate	Equipment Uptime-Frustration	Resume Ticketing	Strategic Deployment of CSAs	Use of Discretion Policy
Media Awareness Campaign	Fare Gate Gaps	Equipment Variation - Frustration	Mobile Ticketing	Strategic Deployment of SCs	Fair Pass Program Expansion
Promote Ease of Payment	Fare Gate Height	Modernize Payment Options	Recruit Complement	Operators - Fare Dispute Button	Fines and ByLaw Update
Middle / High Schools Program	Fare Gate Tolerance	Fare box Flaps (Station & Buses)	Analytical Deployment		Presto Retail Expansion (phase 1)
Special Constables Community Engagement	Bus Bay Access - Hotspot Plan (CSA / SC)	Annualize Child & Youth Cards	Policy and Technology Training		Presto Retail Expansion (phase 2)
Back to School Media and Communication	Bus Bay Signage	Legacy Fares Sunset	Technology - Handhelds		Admin Monetary Penalty System Review
Field Trip Education	Close Crash Gates	Harmonize Cash Concession Fares	Technology - Body Worn Cameras		Review 2-hour Transfer Policy for Cash Payments
TTC / School Administrators Forum		Machine Readable Transfers	Establishing Reporting of Inspection Activities		
Grade 10 Civics Program		Registered Fare Box Review	Fare Inspector Reduced Travel Times		
Post Secondary Back to School		Proof of Payment	Fare Enforcement at Bus Interchanges		Completed / Operationalized
Education Announcements on all modes					In Progress
Multilingual Fare & Transfer Information					Future

Progress is being made in most key areas above, including:

- Implementing measures to harden the network,
- Leveraging Customer Service Agent (CSA) roles to provide additional presence in key locations,
- Strategic deployment of current resources by leveraging analytics to identify key issues and hotspots and
- Hiring additional personnel dedicated to fare compliance.

Fare inspections are now based on data-based deployments, programming has changed from taps for evasion to ticketing, and the Fare Compliance Campaign which commenced in March 2024 will shift focus on return-to-school. Initial actions focused on Station and Streetcar evasion with a media campaign to raise awareness of the commencement of ticketing in March 2024.

Immediate Response actions are intended for ongoing monitoring and iterative improvement. The primary goal of this phase is to stem current fare evasion rates and assess the impact the immediate actions have on the trajectory of fare compliance and revenue capture.

Education

Education initiatives began in March 2024 focusing on building awareness with current customers and the public on the TTC's upcoming emphasis on ticketing. Campaigns were launched on all modes, and through social media, building awareness on the fairness and importance of paying, promoting the ease of new payment options (Open Payment for debit, credit and mobile wallet), and identifying options for those who cannot afford to pay

The next phase of education focuses on students recognizing the unique impact of social, technology, economic, and travel dynamics to focus on good transit citizenship. Programs include Back to School, education associated with the Free Field trip program, and development of Transit Citizenship for Grade 10 Civics curriculum. This pillar of work also seeks to develop partner relationships with school boards and administrations.

Environment

Environment initiatives commenced with full review of stations to reinforce physical access and affirm payment equipment functionality. Station reviews identified 16 locations with slim gaps in faregate lines, 13 of which have been resolved with permanent or temporary barriers and the remaining three are queued following completion of construction at each station. Faregate tolerances were affirmed as optimal for passenger flow, and faregate and PRESTO device performance was affirmed at 99.5% assuring little fare evasion due to frustration with faulty equipment.

The next stage of environment actions will focus on leveraging analysis of bus bay evasion for hot spots to develop staff deployment plans, as well as reviewing the use of additional marking and signage to increase awareness that entry through bus bays is both illegal and unsafe. Consultation with Metrolinx has begun to review options for Child and Youth card annual expiry, to limit fraudulent use. Longer-term work is also underway to bring machine-readable transfers to the TTC by the end of 2025 and examine the business case for registered fareboxes on buses.

Enforcement

Much of the TTC's earlier work on Fare Compliance began with culture, technology and policy changes with Revenue Protection in 2023. This enabled the TTC to move from taps during 2023 to its ticketing campaign in March 2024, with a new cohort of Fare Inspectors, new handheld devices and mobile ticketing. The Fare Inspection program currently includes a budget of 116 Fare Inspector positions. Much of this early work has been presented at the TTC Board, as well as the deployment of an additional 130 Customer Service Agents (CSAs) in strategic locations to support customer service, safety and fare compliance in stations.

More recently, engagement with bus Operators has begun, identifying opportunities to improve paper transfer use, and benefiting from their role in fare validation by

leveraging the Fare Dispute key to provide valuable insights routes, locations and times of day to where fare evasion is chronic.

Equity

The Use of Discretion Policy, approved by the TTC Board on April 11, 2024, provides guidance on compliance actions based on the severity of infractions and allows Fare Inspectors to use discretion in issuing tickets.

Work this fall will begin to evaluate opportunities with the City for an expanded Fare Pass Program, and evaluate options for an Administrative Monetary Penalty system to support the TTC’s ticketing efforts.

Developing Mode Insights and Hotspot Specific Actions

Overall, there are six key locations of fare evasion at the TTC. The combination of observed evasion rates, and actual customer movements identify where evasion occurs most through the network. These ‘locations’ help better inform priorities for overall fare compliance actions.

Table 4: Mode Insights

BUS	Evasion rate	Frequency /Door	Estimated Revenue Loss(\$M)	Partial Fares (\$M)	Total Estimate
Front Door	10%	92%	\$46.0	\$9.1	\$55.1
Middle/Rear Door	52%	8.0%	\$21.1		\$21.1
					\$76.2
Front Door	18%	25%	\$4.3	na	\$4.3
Middle and Rear Doors (3 se	35%	75%	\$25.9		\$25.9
					\$30.2
Main Faregate Line	3.10%	92%	\$12.3		\$12.3
Crashgates - generally 1/station	44.30%	8%	\$14.2	\$8.0	\$22.2
					\$34.5

Data analysis is being used to understand key challenge spots and will be used to refine the Plan’s actions and identify additional areas for improvement.

Three notable mode-specific opportunities are emerging currently to address fare compliance in the coming months.

- 1) The first is related to the \$76.2 million evasion associated with **buses**. Early insights from the Fare Dispute Key data are identifying many key hot spots are at major intersections across the city, when large numbers of customers are transferring. Given the distributed nature of these locations, TTC staff are exploring the use of mobility teams to address these hotspots.
- 2) The second is related to the \$22.2 million evasion associated with station **crash gates**. Movements through these gates are 8% of fare gate use. Through policy decisions, the eligible use of crash gates could be reduced 50% allowing the crash gate to be set to close rather than automatic open upon approach. Two

Policy decisions regarding ceasing the acceptance Legacy Fares, and the harmonization of cash fares, which are prerequisites to enabling this opportunity, will be presented to the Board for consideration in the fall 2024.

- 3) With an overall evasion rate of 11.9%, observations identify evasion by students is many times higher than other customer groups. While this is principally at the high school level, this is also seen amongst Grades 7-8 students at middle and elementary schools where 13-14-year-olds easily blend with the movements of students 12 and under.

Social norms, dynamics, technology, payment access and group travel also contribute to increased evasion rates.

Monitoring, Reporting, KPIs and Targets

The Fare Compliance Action Plan considers the fare evasion rates at the six key areas being most relevant for understanding changes in fare compliance across the TTC.

Bi-annual ARC reviews will be critical to gauge overall improvement against these six key locations' reported evasion and frequency rates:

- Bus Front Door. 10%
- Bus Back Doors. 52%: frequency of use 8%
- Streetcar Front Door. 18%
- Streetcar Rear Door. 35%
- Stations Main Fare Line. 3.1%: frequency of use 92%
- Stations Crash Gate. 44%: frequency of use 8%.

The TTC is accessing all possible data to inform programs. We will be considering other data sources to monitor progress.

Formal revenue targets will be established through key work in the Strategy Development and informed by the results in Phase One Immediate Actions.

Phase Two: Strategy Development

Phase Two of the Fare Compliance Action Plan will assess more complex initiatives requiring an evaluation of policy directions and cost-benefits between service delivery and fare evasion initiatives. Implications on overall customer experience and fare capture need to be considered collectively to ensure the majority of fare-paying customers are not unreasonably inconvenienced.

Phase Two will also explore innovation and partnerships beyond those currently underway. In parallel with the Immediate Actions focused on evasion reduction within the current network. Phase Two will develop the understanding of ongoing changes in the network, and return with additional measures and revenue targets by Q4 2025.

Actions for Phase Two have already begun and are running in parallel with Phase One - Immediate Response Actions.

Areas of Strategic Review

Benchmarking with Transit Authorities

Evasion in transit is a known and growing issue, and while every agency is unique in the design of system, there are significant opportunities to identify comparators and identify new and emerging best practices for consideration in the TTC. TTC will continue and expand benchmarking to identify new best practices.

Legacy Fares Sunset

Crash gates are needed by customers who travel through stations with Legacy Fares (Tickets, tokens (0.1%)), pay cash (4%), unaccompanied children, Support Persons, and discretionary movements. They are used for 8% of station entries and ARC reported 44% evasion rates. The customers that use Legacy Fares represent 0.1% of total fare payment. Stopping acceptance of Legacy Fares reduces the volume of customers requiring the crash gates to be open. (see also details on Legacy Fare roadmap in [Fare Modernization Annual Update](#)).

Cash Fare Harmonization

Establishing a single harmonized cash fare for all customers, would limit any confusion about cash fares, reduce discrepancies and could potentially incentivize the use of PRESTO. Cash fares represent 4% of overall fare payments.

The combination of ceasing the use of Legacy Fares and Cash Fare Harmonization could reduce the eligible use of fare gates to 50% and allow stations to set them to 'closed' rather than auto open. At stations, customers using cash would purchase a PRESTO ticket via fare vending machine while CSAs would be available to open crash gates for the remaining eligible customers.

Fare Evasion Motives Study

The fare evasion study aims to understand the motives behind fare evasion, assess its social acceptability, and gather TTC customer sentiment on fare evasion by cohort. This information is important for understanding customer behaviour and could be leveraged to create and modify current policies. It could help optimize resource allocation, and improve the overall TTC customer experience.

Assess Mix of Fare Enforcement Roles

This assessment is to review the mix of roles supporting fare enforcement to ensure optimal coverage of the TTC network.

Streetcar Rear Door Boarding

TTC streetcars are known for all-door boarding and Proof of Payment, both of which are tools to support more rapid surface transit. However, streetcar rear-door boarding has a 33% evasion rate, compared to the front-door evasion rate of 18%. This assessment will evaluate the costs and benefits between service delivery, transit competitiveness, customer experience and fare evasion with streetcar all-door policy.

Bus Rear Door Boarding

Fare evasion at the rear doors of buses was observed to be 52% collectively, in comparison to 10% at the front door regardless of the vehicle type. The difference in fare evasion rate by door is presumed to be attributable to the visible presence of the Bus Operator near door one, which may still be deterring some customers from committing fare evasion.

Rear-door bus boarding frequency is approximately 15%, contributing to rapid boarding and alighting at busy locations. Similar to the rear-door boarding assessment on streetcars, this review will also evaluate the costs and benefits between service delivery, transit competitiveness, customer experience and the impact to the 15% boarding.

Cash Fares Policy Review

Modernizing payment and eliminating all cash fares from the transit reduces dependence on cash gates even further. Station cash gates have the highest rate of fare gate evasion. Faregate Vending Machines can be an important alternative in stations, however accessibility to alternative fair payment options elsewhere in the network would be a critical consideration.

Proof of Payment

The TTC Proof of Payment Policy states that all customers must have valid Proof of Payment, such as a tapped PRESTO card, PRESTO ticket, debit or credit card, paper transfer, TTC Convention Pass or Day Pass when travelling on the TTC.

Implementing a system-wide proof-of-payment system has the potential to enhance bus service for customers through faster operations (reduced dwell time at stops). Proof-of-payment coupled with other initiatives like all door-boarding and potentially off-board payment (i.e. subway and Lines 5 and 6) complements the other initiatives the TTC is undertaking to improve surface transit, such as bus lanes, queue jump lanes and transit signal priority. From a fare evasion perspective, a proof-of-payment policy coupled with other initiatives speeds up transit travel times by allowing Fare Inspectors to easily monitor fare compliance system-wide on all vehicles.

Assess Relationship between Evasion and Crime

Various studies and anecdotal evidence suggest there may be a correlation between fare evasion and security incidents on transit. For example, GOAL North American Light Rail Systems Benchmarking Group's 2023 Security Study, stated, "Most crimes are committed by those who haven't paid." This correlation suggests that preventing fare evasion could reduce the likelihood of related security incidents. Therefore, stricter fare enforcement could have the added benefit of reducing customer safety risks and thus improve overall customer experience.

Phase Two work will include a review of potential options contributing to a broader Fare Compliance Strategy. This phase also focuses on further benchmarking with other transit authorities; and opportunities for broader partnership and innovation to support fare compliance.

Chart 1 below provides an overall summary of the Fare Compliance Action Plan’s status of initiatives and timelines. A more detailed implementation plan and status of the Plan’s specific actions are provided in Attachment 1.

Chart 1: Summary of Initiative Status and Timelines.

	2022	2023				2024				2025				2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Education Initiatives	Completed / Operationalized																				
	In Progress																				
	Future																				
Environment Initiatives	Completed / Operationalized																				
	In Progress																				
	Future																				
Enforcement Initiatives	Completed / Operationalized																				
	In Progress																				
	Future																				
Equity Initiatives	Completed / Operationalized																				
	In Progress																				
	Future																				
Strategy Initiatives	Completed / Operationalized																				
	In Progress																				
	Future																				

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Attachments

Attachment 1 – TTC Fare Compliance Action Plan Summary – Timelines for each of Education, Environment, Enforcement, Equity

Attachment 2 – Status Report 2019 Auditor General 27 Recommendations

Education Actions Timeline

ID	Initiatives	2022	2023				2024				2025				2026				2027				Impact (H/M/L)	Mode	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
1.1	Enforcement Awareness	■	■	■	■	■																	L	ALL	■ Completed / Operationalized
1.2	Media Awareness Campaign				■	■	■																L	ALL	■ In Progress
1.3	Promote Ease of Payment				■	■	■	■	■														L	ALL	■ Future
	Middle / High Schools Program	■	■	■	■	■	■	■	■	■	■	■											H	ALL	
2.1	Special Constables Community Engagement	■	■	■	■	■	■	■	■	■	■	■											M	ALL	
2.2	Back to School Media and Communication					■	■	■															M	ALL	
2.3	Field Trip Education					■	■	■															H	ALL	
2.5	TTC / School Administrators Forum					■	■	■	■														M	ALL	
2.4	Grade 10 Civics Program							■	■														H	ALL	
2.6	Post Secondary Back to School								■														L	ALL	
1.4	Education Announcements on all modes								■	■	■												L	ALL	
1.5	Multilingual Fare & Transfer Information								■	■	■												M	ALL	

Education Action Overview

Education-related actions are aimed at communicating the importance of payment to the general public, the ease of paying, the consequences of not paying, across all modes and evasion types, and responding to the particular needs of students. Education and awareness actions are generally for the entire network, other than if they are cohort specific as is the case with the Schools Programs. All Actions impact all modes.

1.1 and 1.2 Awareness Campaign

In March 2024, the TTC launched the Fare Compliance Campaign, highlighting the expectation for customers to Pay and have Proof of Payment, via print campaign throughout network on all modes, Streetcar murals reaching the public at surface, as well as social media and leveraging traditional media. The print and digital campaign was principally aligned to create awareness of TTC commencement of Ticketing over a practice of Taps (requiring payment) for non-compliance, and highlights range of Fare Payment options and awareness of the City of Toronto’s Fair Pass Program. Calls to the City of Toronto for Fair Pass Program increased 30%.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

1.3 Promote Ease of Payments

The TTC's Fare Modernization Program increases the ease to which customers can pay. These means have increased in the last year with introduction of Open Payment by debit and credit cards and Google Wallet. Overall PRESTO use has increased to 91.9%, with Legacy fare media of (3.9% cash, 0.1% tickets and tokens). The introduction of One Fare, further eases the ability for customers to pay with ease. Each launch has included significant promotion of the new fare media, and also cross-promotion of other ease of payment PRESTO options, across multiple traditional media, social media and print channels. This approach will be used for Apple Wallet.

1.4 Education Announcements on all modes

Auto announcements indicating Proof of Payment requirements in Fare Paid Zones have commenced on Streetcar and have been updated to include awareness of Body-worn cameras upon door opening. Buses services Please Pay announcements are initiated at the discretion of the Operator, and Fare Paid Zone announcements are commencing in Subway Stations beyond the Fare Gate line.

1.5 Multi-Lingual Fare and Transfer Information

The TTC's Fare Compliance Campaign print and social media campaign is currently in English, although within Stations, universal symbols are used for payment at gates. Recognizing that some fare evasion may be unintentional from misunderstanding on Fares and Proof of Payment future phase will focus on information to support use of Fares and Transfers located in modes of travel, in multiple languages.

Students Program Overview

Students present a unique opportunity to address with Fare Compliance. Social norms, dynamics, technology, payment access and group travel contribute to evasion rates significantly higher than overall evasion. While overall evasion is 11.9%, preliminary indications identify evasion by students many times higher than other customer groups. While this is principally at the high school level, this is also seen amongst Grades 7-8 students at middle and elementary schools where 13-14-year-olds easily blend with movements of students 12 and under.

An added challenge includes that while persons age 16-19 must travel with high school photo ID, Driver's Licence or Ontario Photo Card with them and show it to TTC staff if asked, students age 13-15 are not required to carry ID. Preliminary strategies are oriented around building relationships with students and schools to establish expectations based on civic responsibility.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

Schools Program – Middle and High Schools

2.1 Special Constables Community Engagement

TTC Special Constables Community Engagement Unit is designed to build relationships with the community and reduce barriers, between community members and the TTC, identify and address cross-organizational issues related to safety and compliance. This function is separate from enforcement, and actively engaged with key schools to develop positive relationships with schools and students, about the role of transit and expected citizen behaviours.

2.2 Back to School Media and Communication

The TTC's annual marketing includes "Back to School" campaigns on ttc.ca and TTC social media channels. This year, social media posts will feature fare compliance messaging, using local Toronto influencers relevant to Youth to deliver the messaging, and featured on the TTC's Instagram feed. Key messages from influencers being that people 13 years of age and older must pay a fare to ride the TTC.

2.3 Field Trip Education

On May 16, 2024, the TTC Board approved a [staff report](#) about a yearlong pilot for free transit for Grade 7-12 student field trips for the TDSB, TCDSB and the French public and catholic school boards for the 2024-2025 school year. The program roll-out includes an educational component to educate Grade 7-12 youths and other first-time customers about how to use the TTC system, how to pay the fare, and tips for what to do if assistance is required while on the TTC. This programming will be available to all middle schools and high schools regardless of participation in the Free Field trips component.

2.4 Grade 10 Civics Program

Every Grade 10 student is required to take a course in Civics. Teachers can choose from a wide variety of content to meet the curriculum. The role of Transit in City Building, Sustainability, funding and economics, and transit citizenship is being developed as a curriculum offering for Grade 10 Civics class, and raise awareness by teachers, students and parents. Embedding this information in the school systems raises the awareness and empathy for transit to increase good will, junior citizenship and through parent awareness provides an alternative means to reach additional generations and cross potential language barriers. The success of this program will require engagement from the education community. This program is part of forward planning and expected for the 2026 school year.

2.5 School Administrators Forum

Building partnership with School Administrators to build out student-based programming.

2.6 Post Secondary Back to School

Toronto is the home to 10 major universities and colleges and 14% of TTC ridership is made up of post-secondary students. Additional consideration for this group is that Toronto may not be home, and Civic accountability lower. Post Secondary Student programming is principally aligned with general public, back to school messaging and social media campaigns.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

Environment Actions Timeline

ID	Initiatives	2022	2023				2024				2025				2026				2027				Mode				
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
	Fare Gate						█	█																M	STN	█	Completed / Operationalized
3.1	Fare Gate Gaps						█	█																M	STN	█	In Progress
3.2	Fare Gate Height																							L	STN	█	Future
3.3	Fare Gate Tolerance																							M	STN		
4.1	Equipment Uptime - Frustration																							H	ALL		
4.2	Equipment Variation - Frustration																							H	ALL		
4.8	Fare Box Flaps (Stations & Buses)																							L	STN, BUS		
4.3	Modernize Payment Options																							H	ALL	CSA	Customer Service Agents
3.4	Bus Bay Access - Hotspot Plan (CSA / SC)																							H	STN	SC	Special Constables
4.5	Annualize Child & Youth Cards																							M	ALL	POP	Proof of Payment
3.7	Legacy Fares Sunset																							H	ALL		
4.4	Harmonize Cash Concession Fares																							H	ALL		
4.6	Machine Readable Transfers																							M	BUS, TRS		
4.7	Registered Fare Box Review																							M	BUS		
3.5	Bus Bay Signage																							H	STN		
3.6	Close Crash Gates																							H	STN		
3.8	Proof of Payment																							H	BUS, SC		

Environment Actions Overview

Changes to the physical entry experience to make evasion harder and using new technologies to make payment easier. Early initiatives include physical environment review and initiatives, enabling ease of payment and leveraging analysis to inform strategic deployment of existing resources. Changes to the environment are the most likely of the 4 Es to support mode-specific strategies. The evasion estimate for the affected location is listed beside the initiative where relevant.

Physical Infrastructure Initiative

3.1 Barrier Gaps at Station Fare Gate Lines

Fare gates generally stretch the full width of a corridor. However, the ARC review identified that narrow gaps between gates and walls presented evasion opportunities for illegal entries by determined evaders. All 70 revenue stations were fully inspected with 16 gap issues identified. Of these, 13 have received permanent or temporary solutions and the remaining three are resulting from status of construction and receiving additional monitoring.

3.2 Fare Gate Configurations – Heights and Tolerances (and 3.3)

Fare gate evasion at main gates is principally due to Breakthrough (13%), Opposite (22%) and Tailgating (65%). Fare gate jumping is rare with current heights providing sufficient deterrence. Fare gate lines have been reviewed for heights and tolerances, are confirmed optimized, with no further opportunity for tightening. The evasion rates at main gates have shown improvement since Fare Compliance initiatives began and is attributed to awareness campaign, and the strategic deployment of Customer Service Ambassadors.

3.4 Bus Bays Access – Hotspot Plan and Markings (and 3.5)

ARC's 2023 Fare Evasion Study identified passengers trespassing and accessing the station without paying through the bus bay. An analysis of illegal entries and exits at the TTC stations identified evasions hotspots by location and time of day via 39 Bus Bays informing blitz deployments by Special Constables. Review of signage and markings customers are aware that bus bays entry is both illegal and unsafe.

3.6. Close of Fare Line Crash Gates (and 3.7 Legacy Fares)

Disabling auto-opening of crash gates will mitigate the 44% evasion rate experienced at these high evasion gates in stations. Crash gates are located along fare line main entrances and are intended for use by those with legacy fare media (tickets, tokens), cash for concession fares, children under 12, transfers outside of the station and discretionary access. These gates open automatically upon approach with expectation that payment is placed in the farebox and ARC study evasion attributed evasion rates at these gates at 44.3% and resulting in an estimated annual revenue loss of \$22.2 million.

Reducing the need for these gates to open can be accomplished with three steps and decisions:

- Stop accepting Legacy fares media (ticket and tokens).
- Leveraging existing Fare Vending Machines (FVMs) in each station for all cash payments.
- Cash fare harmonization is also required, to mitigate fraudulent purchases of concession fares.

The result reduces crash gate use sufficiently to establish these gates in closed versus auto-open mode. Remaining use by Children, Support Persons and discretionary access would be activated by CSAs with access cards.

Fully closing crash gates is queued for review in a future phase and requires Machine-Readable Transfers, solution for children 12 and under travelling alone PRESTO cards for Support Persons.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

3.8 Proof of Payment

The expectation is that customers provide Proof of Payment on any mode at any time when requested by TTC Fare Inspector (or Special Constable).

Proof of Payment is easily provided by 91.2% of customer using PRESTO fare media – by simply providing evidence of the valid tickets, PRESTO Card and Open Payment media used for the current trip. The practice for customers paying cash (and tickets and tokens) will need to be reinforced, as current practices are not ensuring customers have ‘valid transfers’ available.

Phase 1

Elevate Customer Communication to have Proof of Payment and ensure Operator readiness to support with valid transfers. Fare Inspectors will be deployed strategically at known and emerging hotpots.

Fare Collection Modernization Initiatives

Broader initiatives for Fare Modernization which bring new fare media options, providing ease of payment, policy and technology are also underway.

4.1 Equipment Uptime

Frustration with equipment was identified in the AG report as a contributing factor for evasion. All PRESTO device and fare gate performance has been reviewed, and identified as having a very high degree of uptime, with Fare gates: 99.5% and PRESTO Devices: 99.5%. Strategies for this area are to maintain status quo with high performance, and little opportunity to improve evasion through mitigating frustration due to equipment performance.

4.2 Equipment Variation Contributing to Frustration

Frustration with equipment variation was identified as a contributing factor for evasion. Locations with multiple different devices is not extensive and offer redundancy in busy areas and should equipment need repair. No action planned in this area.

4.3 Modernize Payment Options

The TTC’s Fare Modernization program continues to work with Metrolinx-PRESTO to deliver modern and easy options for customers to pay transit fares. Modern methods improved overall customer experience and also reduce barriers to paying. In the last year, fare modernization has included Open Payment by debit and credit cards in August 2023 as well as Google Wallet. The introduction of One Fare, further eases the ability for customers to pay with ease. Apple Wallet will be next to launch expanding more ease of payment option to customers with iPhone and Apple products.

4.4 Harmonize Cash Concession Fares

TTC Fares vary by Concession group (adult, senior, youth, and child), with varying fares for each concession based on fare media, contributing to frustration to know their fares, particularly for less frequent customers. Establishing a single harmonized cash fare for all customers, would limit any confusion about cash fares, reduce discrepancies and could potentially incentivize the use of PRESTO.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

4.5 Annualize Child and Youth Cards

We are exploring ways to introduce an annual renewal process for PRESTO cards with Child and Youth Concessions to ensure eligibility compliance. Then annual renewal process will address the fraudulent use of Child and Youth cards. It will reduce the number of illegitimate cardholders and shorten the window of potential revenue lost to a maximum of one year instead of multiple years. Annual expiration **can** be used to enforce customer re-enrollment on a more frequent basis for child card, which accounts for estimated \$1.5 million in revenue loss due to child card fraud. Forcing annual renewal will help prevent fare evader from using child card for a multi-year period to a year maximum. Annual expiration **can** be used to enforce customer re-enrollment on a more frequent basis for Youth card. Forcing annual renewal will help prevent fare evader from using Youth card for a multi-year period to a year maximum.

4.6 Machine readable transfers

Machine-Readable Transfers are part of TTC Fare Modernization and will allow for improved Fare Inspection, over current paper transfers for those not using PRESTO fare payment products. This initiative is underway with Metrolinx-PRESTO with plans to implement by 2025. More detail in Fare Modernization Update report to the Board on July 17, 2024.

4.7 Registered Fareboxes

Along with Machine-Readable Transfers, a review for Registered Fareboxes is also underway. The TTC's current fareboxes are gravity-fed, requiring post-processing for tickets, tokens and cash. Registered Fareboxes provide automation for transfers on buses, enable auto announcements and reduce post-processing. The value of this business case will consider benefits case will also consider if the TTC were to take a policy decision to not accept cash fares.

4.8 Farebox Flaps at Stations and on Buses

ARC study identified that Buses and Station fareboxes have had flaps removed preventing observation of payment made for legacy fare. Flaps have only been removed from Station fare boxes, not buses. This is to prevent the accumulation of fares on display.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

Enforcement Actions Timeline

ID	Initiatives	2022	2023				2024				2025				2026				2027				Mode				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4						
5.1	Resume Ticketing (end of taps over tickets)					■																	M	SC	■	Completed / Operationalized	
5.7	Mobile Ticketing					■	■																	H	SC	■	In Progress
5.2	Recruit Complement			■	■			■	■			■	■			■	■					■	■	M	SC	■	Future
5.4	Analytical Deployment			■	■	■	■	■																M	SC		
5.3	Policy and Technology Training		■	■	■	■																		H	SC	CSA	Customer Service Agents
5.6	Technology - Handhelds			■																				H	SC	SC	Special Constables
5.8	Technology - Body Worn Cameras					■	■	■	■															M	SC	POP	Proof of Payment
5.9	Establishing Reporting of Inspection Activities					■	■																	M	SC		
6.1	Strategic Deployment of CSAs					■	■																	H	STN		
6.2	Strategic Deployment of SCs					■	■																	H	STN		
5.5	Fare Inspector Reduced Travel Times						■	■	■															L	SC		
6.3	Operators - Fare Dispute Button						■	■	■															H	BUS		
5.10	Fare Enforcement at Bus Interchanges									■	■	■	■											H	BUS		

Enforcement Actions Overview

Fare Inspectors

The success of a Revenue Protection Strategy is highly dependent on building a fare compliant culture. Specifically, a culture-shift towards fare compliance; reset of social norms to disrupt negative customer behaviour; and educating our customers and emphasizing the importance of tapping and paying proper fares, while providing equitable service to all transit users.

5.1 Resume Ticketing

March 2024: moving away from requiring Taps for non-compliance to increased use of Cautions and Ticket.

In May 2024, mobile ticketing was fully implemented, significantly improving accuracy and efficiency. Fare Inspectors now use a smartphone application and a handheld mobile printer to create and print Part I Provincial Offence Act Notices. This streamlined process addresses the 2019 Auditor General Revenue Operations audit

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

recommendation to “explore ways to increase actual inspection time by Transit Fare Inspectors, including automating the manual ticketing process.” Additionally, this solution creates an offender history, enabling Fare Inspectors to identify repeat offenders.

5.2 Recruit Complement and (and 5.3 Train)

Fare inspection is one of the key elements in reducing fare evasion. The TTC has a fare inspection program that includes 116 Fare Inspectors positions. The fare inspection program is primarily focused on the streetcar routes, with a mandate to effectively and safely enforce TTC By-law No.1. The Use of Discretion Policy, approved on April 11, 2024, provides guidance on compliance actions based on the severity of infractions and allows discretion in issuing tickets.

5.4 Analytical Deployment

On March 18, 2024, a new deployment strategy was introduced for the Fare Inspectors. The deployment has been adjusted based on current boarding data and is aligned to the reporting locations of the Fare Inspectors. Larger teams are deployed at locations with high ridership at peak times to ensure that streetcars are fully inspected. In addition, Fare Inspectors are being deployed on a rotating streetcar line assignment each week to build better customer relationships and ensure equal access to similar work across teams.

Additionally, Fare Inspectors have targeted deployments to fare gates to address concession fraud and prevent tailgating or breaking through the fare gates. Furthermore, we have piloted a student deployment program, focusing on stations near high schools to deter fare evasion among students.

5.5 Reduced Fare Inspector Travel Time

To enhance the deployment of Fare Inspectors by maximizing inspection times and reduce the travel time for Fare Inspectors to and from their reporting locations. Staff are exploring opportunities to create more downtown reporting locations to optimize Revenue Protection deployments.

5.6 Technology – Handhelds

In July 2023, the TTC launched the new TC57 Hand-held Point of Sale devices. These advanced devices significantly increase speed, enabling much faster inspections and delivering highly reliable data.

5.7 Technology – Mobile Ticketing

In May 2024, mobile ticketing was fully implemented, significantly improving accuracy and efficiency. Fare Inspectors now use a smartphone application and a handheld mobile printer to create and print Part I Provincial Offence Act Notices. This streamlined process addresses the 2019 Auditor General Revenue Operations audit recommendation to "explore ways to increase actual inspection time by Transit Fare Inspectors, including automating the manual ticketing process." Additionally, this solution creates an offender history, enabling Fare Inspectors to identify repeat offenders.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

5.8 Technology – Body-Worn Cameras

Following the TTC’s Board approval of the new Use of Discretion, Use of Force and the Body Worn Camera policies in support of the Culture Change Program, the Revenue Protection Department initiated the Body-Worn Camera project. A pilot began on May 27, 2024, to address issues of customers walking away from Fare Inspector interactions and discourtesy. The cameras also contain a microphone that captures situational and ambient sounds. The body-worn cameras provide a factual account of interactions for disclosure and evidentiary purposes.

5.9 Establish Reporting of Inspection Activities

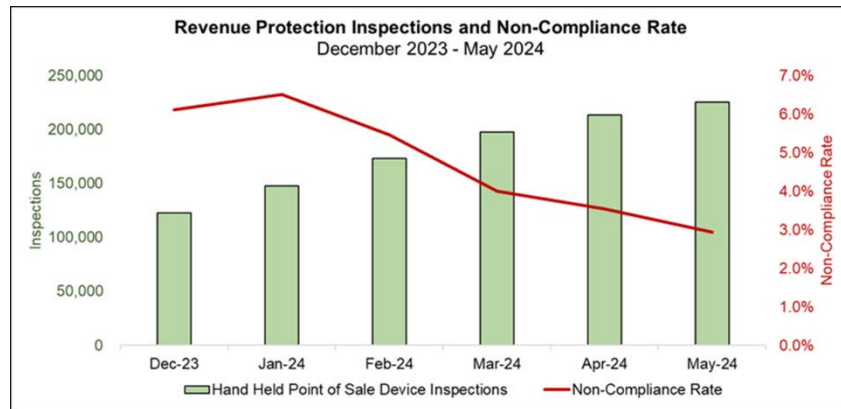


Chart: Fare enforcement initiatives continue on streetcars and at stations. The non-compliance rate (red line) was 6.9% in December 2023 and has decreased to 2.9% in May of 2024 and from December 2023 to May 2024, there has been an 83% increase in the total number of inspections.

Fare Validation Roles

In addition to Fare Inspection roles being placed strategically to address fare compliance, other Operating roles in the TTC are deployed using analytics to high-priority areas to support customer education overall and through presence provide deterrence.

Advanced analytics is being used to identify key deployments for staff in support of overall customer experience and hotspots, including Fare Compliance.

6.1 Strategic Deployment of Customer Service Agents

In November 2023, the TTC recruited, trained and deployed an additional 130 Customer Service Agents to stations to support customer service and safety and analysis-based deployments to key station locations. To assist with Fare Evasion, the CSAs roles are being strategically aligned at Station entrances main entrances and crash gates, and secondary entrance to support overall customer experience, safety and provide deterrence on regular fare gates.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

6.2 Strategic Deployment of Special Constables

Special Constable deployments remain principally as first responder to safety and security. They are also deployed to Hotspot locations, such as Bus Bays, Schools, Disruptive bus routes.

6.3 Bus Operators

Bus Operators are the first and often only point of customer experience for customers travelling by bus. With respect to Fare Compliance, changes in 2016 to the bus Operator role shift their focus from Enforcement to Education, both for customers and the organization. Regular communication supports customer education on Fares as needed. Operators access a Please Pay announcement, as needed.

Importantly, Operator ability to identify fare evasion through a Fare Dispute Key on buses has led to full understanding of evasion hot spots throughout the bus network and throughout the service day.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

Equity Action Timeline

ID	Initiatives	2022	2023				2024				2025				2026				2027				Mode				
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
7.4	Use of Discretion Policy		█	█	█	█	█	█																M	ALL	█	Completed / Operationalized
7.1	Fair Pass Program Expansion			█	█							█	█											M	ALL	█	In Progress
7.2	Fines and ByLaw Update							█	█	█														M	ALL		
7.5	PRESTO Retail Expansion (phase 1)		█	█	█	█	█	█	█															M	BUS	█	Future
7.6	PRESTO Retail Expansion (phase 2)										█	█	█	█	█	█	█	█	█	█	█	█	█	M	BUS		
7.3	Administrative Monetary Penalty System Review																							M	ALL	CSA	Customer Service Agents
7.7	Review 2-hour Transfer Policy for Cash Payments																							L	ALL	POP	Proof of Payment

Equity Action Overview

7.1 Fair Pass Program – City of Toronto

The City of Toronto Fair Pass Program is intended to increase transit equity and make transit more affordable to low-income adult residents by providing a discount on the PRESTO adult single fare and PRESTO adult monthly pass. Customers must apply to receive the discount and prove their eligibility so that the Fair Pass fare type can be applied to their PRESTO card. To further support transit affordability to low-income adults, the TTC has begun working with the City to identify the feasibility of expanding the Fair Pass program to Phase 3 in 2026. This would expand eligibility to Toronto residents living with a family income below 75% of the LIM-AT and expansion of eligibility to LIM-AT +15% as originally intended is not yet fully funded.

7.2 Fines and Bylaw Update

The TTC fine/fee schedule was most recently updated in 2009, and fines imposed have remained higher than those in other jurisdictions in Canada and North America. Due to the significant disparity between the cost of an unpaid fare and the fines for fare evasion, a reassessment of this fine schedule will be completed in 2025, following review of an alternative Administrative Monetary Policy System.

7.3 Administrative Monetary Penalty System

An Administrative Monetary Policy system would provide the TTC with discretion on the penalties imposed as fines, which are not available under the current ticketing system. The Auditor General of Toronto and Commissioners have also asked that the feasibility of an Administrative Monetary Penalty System (AMPS) be investigated. An AMPS program would enable the TTC to have fixed penalties with a graduated scale for fare non-compliance, making the first or second offender a more nominal fee than tickets. This review is to be completed by Q4 2024.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

7.4 Use of Discretion Policy

The Use of Discretion Policy for the SCSRP Department was passed on April 11, 2024. The intent is to support Officers in applying discretion while ensuring alignment with organizational policies, supported by training to de-escalate situations and handle difficult customers. Revenue Protection has implemented a customer service-focused approach, ensuring that the fare inspection processes are efficient, fair, and conducted with professionalism.

7.5 PRESTO Retail Expansion (and 7.6)

The TTC is actively working with Metrolinx on expanding the coverage of the PRESTO network. The goal is to increase PRESTO coverage in Toronto to a standard where 95% of Torontonians live within a 15-minute walk of a location where a PRESTO card can be loaded with cash and a 15-minute transit ride of a location that can set a concession. A concession awareness campaign will also be launched with Back to School communications.

Attachment 1: Fare Compliance Action Plan – Immediate Response Items (49)

Strategic Development – Timeline

ID	Initiatives	2022	2023				2024				2025				2026				2027				Mode			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
8.1	Bi-Annual ARC Audit		■							■											■	H	ALL	■	Completed / Operationalized	
8.2	Leverage Fare Gate Data for Fare Compliance				■	■	■	■	■													■	H	STN	■	In Progress
8.3	Leverage Fare Dispute Key Data for Fare Compliance							■	■	■												■	H	BUS	■	Future
8.4	Fare Inspection Handheld Analysis			■	■	■	■	■	■													■	H	SC, STN		
8.5	Establish regular Dashboard Reporting							■	■													■	H	ALL		
9.1	Youth Innovation Challenge (internal)							■														■	L	ALL	CSA	Customer Service Agents
9.2	Workshops: Staff and Bus Operators					■	■	■														■	H	ALL	SC	Special Constables
9.3	Establish Fare Compliance Action Plan					■	■	■														■	H	ALL	POP	Proof of Payment
9.4	Fare Evasion Motives Study					■	■	■	■													■	M	ALL		
9.5	Legacy Fares Sunset	■	■	■	■	■	■	■	■													■	H	BUS, STN		
9.6	Harmonize Cash Concession Fares					■	■	■	■	■	■											■	H	STN		
9.7	Establish Fare Compliance Strategy									■	■	■	■	■	■							■	H	ALL		
	Engage Consultant							■	■	■	■	■	■									■	H	ALL		
	Assess Service Delivery vs. Evasion									■	■	■	■									■	H	-		
	Establish Benchmarking					■	■	■	■	■	■	■	■									■	H	ALL		
	CSA Fare Validation role					■	■	■	■	■	■	■	■									■	H	STN		
	Assess mix of Fare Enforcement Roles									■	■	■	■	■	■							■	H	ALL		
	Rear Door Boarding – Bus									■	■	■	■	■	■							■	H	BUS		
	Staggered OFF/ON Stops – Avoid Rear Door Use									■	■	■	■	■	■							■	H	BUS		
	Rear Door Boarding – Streetcar									■	■	■	■	■	■							■	H	SC		
	Cash Fares Sunset Review									■	■	■	■	■	■							■	L	BUS, STN		
	Proof of Payment (POP) Whole Network									■	■	■	■	■	■							■	H	ALL		
	Assess relation of Crime & Evasion									■	■	■	■	■	■							■	M	ALL		
	Establish Targets and Annual Review Process									■	■	■	■	■	■							■	L	ALL		
	Innovation									■	■	■	■	■	■							■	H	ALL		
	Engage Academia / MaRs / CoE Partnerships									■	■	■	■	■	■							■	M	ALL		
	Return with Broader Strategy									■	■	■	■	■	■							■	L	ALL		

Attachment 2 – Auditor General’s Phase One Fare Evasion Recommendations 2019 Management Actions

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
Fare Evasion Phase 1, Feb 21 2019					
1	The Board request the Chief Executive Officer, Toronto Transit Commission, to set acceptable targets for its fare evasion rates (by mode and overall) and to develop short and long-term strategies to reduce the fare evasion rates and the resulting revenue loss, while ensuring good customer service.	Chief Strategy and Customer Officer/ Revenue Protection	In Progress	Fare Evasion Rates- System Wide	<p>Actions:</p> <ul style="list-style-type: none"> - TTC Board Report and 2020 Revenue Recovery strategies was presented in Feb 2020 with a focus on streetcars with the highest fare evasion rates - COVID Pandemic paused fare inspection and ticketing and measures of effectiveness of new strategy - 2023 Audit Risk and Compliance Fare Evasion Study (Nov, 2023) updated fare evasion rates for all modes - Monthly monitoring through inspection and passenger revenue data (ongoing) <p>Next Steps:</p> <ul style="list-style-type: none"> - Undertake Fare Compliance Strategy including targeted interventions by location and mode <p>Status: Anticipated completion date Q2 2025</p>
2	The Board request the Chief Executive Officer, Toronto Transit Commission, to raise customer awareness and understanding of the importance of paying the appropriate fare, as well as the PRESTO card payment process, Proof-of-Payment system, and consequences if found evading fare	Chief Strategy and Customer Officer/ Marketing and Customer Experience	Completed	Fare Evasion Rates- System Wide	<p>Actions:</p> <ul style="list-style-type: none"> - Fare is fair (Fall 2018) - Pay your fare, pay your share (May – Dec 2019) - There is no excuse to not pay your fare (Jan 2020) <p>Status: Accepted and Closed by AG - Fully Implemented August 3, 2021</p>
3	The Board request the Chief Executive Officer, Toronto Transit Commission, to: a. Accurately measure and publicly report on the fare evasion rate every year; and b. Reports from Internal Audit on fare evasion study should be made public.	Finance and Audit Risk and Compliance	In Progress	Fare Evasion Rates- System Wide	<p>Actions:</p> <ul style="list-style-type: none"> - Fare Evasion Study (November 2019) - COVID Pandemic paused Internal Audit work plan to undertake Fare Evasion Audits - Fare Evasion Study (November 2023) - Monthly fare evasion measures reported in CEO Reports beginning June 2024 - Complete audit on fare evasion every 2 years (2025, 2027) <p>Next Steps:</p> <ul style="list-style-type: none"> - Meeting with AG staff on the documentation requirements to close this recommendation <p>Status: Anticipated recommendation closure Q4 2024</p>

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
4	The Board request the Chief Executive Officer, Toronto Transit Commission, to further improve the fare inspection program by ensuring: a. Adequate training to Fare Inspectors on data collection and why this work is important to Toronto Transit Commission; b. Development of realistic and clear performance expectations; c. Implementation of ongoing monitoring of staff performance and regular review of inspection data.	Chief Strategy and Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	Actions: - Incorporated importance of data and how to document data into recruit and recertification training (2021) - Formal direction given to Transit Fare Inspectors on inspection goals and parameters around cautions & tickets (Feb 2024) - Bi-weekly analysis of staff performance (ongoing) Next Steps: - Management and Employee Relations to develop performance management process for Fare Inspectors Status: Recommendation to close December 2024
5	The Board request the Chief Executive Officer, Toronto Transit Commission, to explore system wide options that can help prevent and reduce fare evasion on streetcars with multiple doors and Proof-of-Payment policy.	Chief Strategy and Customer Officer/ Strategy and Foresight	In Progress	Fare Evasion Rates-System Wide	Actions: -TTC Website include customer information on fare payment (2021) - Increased visibility of the Proof-of-Payment policy through signage on vehicles and in stations (2021) - Fare Inspectors enforcing TTC By-law No.1 across the streetcar network (ongoing) - Proof of payment announcement on streetcar (April 2024) - Adjusted deployment to 4 person team at rush hour on high ridership routes (Feb 2024) Next Steps: - Need to measure effectiveness of updated strategies on fare evasion on streetcar Status - Recommendation to close December 2024
6	The Board request the Chief Executive Officer, Toronto Transit Commission, to expand its fare inspection program to include buses and develop effective fare inspection methods for buses	Chief Strategy and Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	Actions: - Refining use of Automatic Passenger Count Data and bus dispute key data to create heat maps to identify high fare evasion routes (April 2024) -Deployment of Special Constables to bus routes with high occurrence of fare evasion -Special Constables Community Engagement team outreach to high schools Next Steps: - Expand Proof of Payment Policy to include all Modes (Sept 2024) - Pilot off-board bus inspections at intersecting stations with streetcar routes (Oct 2024) - Hire 50 more TFI's to expand to bus routes (2025) Status: Anticipated recommendation closure Q1 2025

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
7	The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure that bus operators and streetcar operators are instructed and trained to press the fare dispute key whenever the appropriate fare is not paid. Data from the fare dispute keys should be routinely analyzed and used to aid in the strategic allocation of fare enforcement resources.	Chief Strategy and Customer Officer/ Bus Transportation	In Progress	Fare Evasion Rates- Bus	<p>Actions:</p> <ul style="list-style-type: none"> - Bus Operators instructed to use the fare dispute key when observing customers not paying a fare (2020) -Streetcar Operator seat orientation does not permit a view of fare payment (2020) - -Special Constables deployed to key bus routes to respond to Fare Dispute Key data <p>Next Steps:</p> <ul style="list-style-type: none"> -Analysis and reporting on fare dispute key framework to be completed by Q1 2025 <p>Status: Anticipated recommendation closure Q1 2025</p>
8	The Board request the Chief Executive Officer, Toronto Transit Commission, to expand its fare inspection program to include coverage of subway station entrances.	Chief Strategy and Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	<p>Actions:</p> <ul style="list-style-type: none"> - New Hand Held Point of Sale devices introduced July 2023 to enable off Board inspections in Stations and greater reliability in inspections - Use of Discretion policy approved by Board in April 2024 to support Fare Inspectors - Transit Fare Inspectors deployed to select faregates during peak hours (Union, Dundas, Queen etc.) - Customer Service Agents placed at second entrances (2023) - Transit Fare Inspectors deployed to stations near high schools (June 2024) - Met with AG and Ombudsman on June 25 to discuss approach to fare inspection in Neighbourhood Improvement Areas <p>Next Steps:</p> <ul style="list-style-type: none"> -Update Proof of Payment policy to include all modes Q4 2024 -Incorporation of more stations (2024-2025) <p>Status: Anticipated recommendation closure Q1 2025</p>

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
9	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to take the necessary actions to reduce the number of illegal entries, particularly at automatic subway entrances, including:</p> <p>a. Perform a cost-benefit analysis of continuing to keep the automatic entrances open, whether to install high gates in high-risk entrances at subway stations, and whether to station Toronto Transit Commission staff at some of these entrances;</p> <p>b. Complete work on the fare gate sensors and fare gate event data reporting, so that information can be used to determine the rate of illegal entries at subway stations and to strategically allocate fare inspection resources; and</p> <p>c. Ensure security camera video is monitored on a regular basis.</p>	<p>Chief Operating Officer/ Stations</p> <p>Chief Strategy and Customer Officer/ Revenue Operations</p>	In Progress	Fare Evasion Rates-Subway	<p>Actions:</p> <p>-9A: A preliminary cost-benefit analysis was performed in 2019. The analysis indicated that providing TTC employees to manage the highest fare evasion entrances in the system is more cost-effective than installing high-gates to meet the new accessibility and Ontario Building Code specifications</p> <p>-9B: Actions taken to address this recommendation include – updates to fare gate software, stations with high risk for illegal entry stations were identified, collector breaks reviewed, re-distribution of distribute supervisory resources to high-risk entrances, fare line barriers installed at 37 stations to eliminate the current gap between the collector booth and the first fare gate. The fare gate software upgraded in Q3 2019. This update enabled monthly reporting on the rate of illegal entries at subway station</p> <p>-9C: CCTV monitors are installed at all fare lines to deter illegal entries. The TTC identified 31 high-risk fare evasion entrances which now all have CCTV monitors. To further support the illegal entries, the booth collectors have been transitioned to crash gate crews at primary fare lines</p> <p>Next Step:</p> <p>- Documentation of evidence</p> <p>Status: Recommendation to close December 2024</p>
10	The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure the contracted service requirements are upheld regarding functionality of Metrolinx Single Ride Vending Machines and PRESTO Card Readers, and recover from Metrolinx lost passenger revenue.	Finance	In Progress	Metrolinx	<p>Actions:</p> <p>-TTC has been invoicing Metrolinx for the lost fare revenue for out-of-service bus and streetcar devices, through the Interim Loss Fare Revenue process and has received payment from Metrolinx on such billings.</p> <p>Next Steps:</p> <p>The TTC is in the process of finalizing the New Credit methodology with the goal of implementing by September 30 2024.</p> <p>Status: Recommendation to close Q3 2024</p>
11	The Board request the Chief Executive Officer, Toronto Transit Commission, to review current TTC fare gate functionality issues, and develop and implement short and long-term strategies to improve fare gate functionality to reduce revenue loss.	Chief Strategy and Customer Officer/ Revenue Operations	In Progress	Fare Evasion Rates-Subway	<p>Actions:</p> <p>- Faregate functionality is reviewed regularly with the fare gate vendor</p> <p>- The long-term improvement strategy is being evaluated with vendor as the contract is renewed.</p> <p>- Faregates are currently being upgraded</p> <p>Status: Anticipated closure of this recommendation Q4 2024</p>

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
12	The Board request the Chief Executive Officer, Toronto Transit Commission, to instruct and train crash gate staff on Toronto Transit Commission (TTC) policy, to request the fare collector to close the TTC fare gate when unattended by TTC staff, and to ensure fare collectors are trained in this task.	Chief Operating Officer/ Stations	Completed/ Not Applicable	Fare Evasion Rates- Subway	Status: Accepted and Closed by AG - No Longer Relevant / Not Applicable - August 3, 2021
13	The Board request the Chief Executive Officer, Toronto Transit Commission, to reassess whether there is a critical need to issue Child PRESTO cards, balancing provision of good customer service with the risk of fraudulent use of the Child Cards.	Chief Strategy and Customer Officer/ Strategy and Foresight	Completed/ Not Applicable	Fraudulent Use of Child PRESTO Cards	Actions: -A Human Machine Interface update was performed in September/October 2021 to identify Child PRESTO cards when they are validated on readers - PRESTO cards are wholly owned and managed by Metrolinx and they will continue to issue Child PRESTO cards for all systems that use PRESTO. Therefore, we are unable to eliminate the Child PRESTO card Status: Accepted and Closed by AG - No Longer Relevant / Not Applicable May 2024
14	The Board request the Chief Executive Officer, Toronto Transit Commission, to NOT distribute the Toronto Transit Commission's promotional Child PRESTO cards until appropriate controls are in place.	Chief Strategy and Customer Officer/ Strategy and Foresight	Completed	Fraudulent Use of Child PRESTO Cards	Status: Accepted and Closed by AG - Fully Implemented - July 2021
15	The Board request the Chief Executive Officer, Toronto Transit Commission, to explore ways to provide a Child PRESTO Card that is visually different from an Adult PRESTO card, including further negotiation with Metrolinx to issue visually different PRESTO cards for adults and children aged 12 and under.	Chief Strategy and Customer Officer/ Farecard	Completed/ Not Applicable	Fraudulent Use of Child PRESTO Cards	Actions: -Devices enabled to have visual and audio differentiations between Child and Adult PRESTO cards (2021) Status: Accepted and Closed by AG - No Longer Relevant / Not Applicable May 2024
16	The Board request the Chief Executive Officer, Toronto Transit Commission, to make the necessary changes to the Child PRESTO cards so that bus and streetcar operators can spot inappropriate use of PRESTO concession cards including: a. Negotiate with Metrolinx to provide a different light and sound on PRESTO card readers for Child PRESTO cards from other concession types; and b. Perform cost benefit analysis and consider making change to Toronto Transit Commission revenue vehicles to include display of the PRESTO concession type for bus and streetcar operators.	Chief Strategy and Customer Officer/Farecard / Strategy and Foresight	Completed	Fraudulent Use of Child PRESTO Cards	Actions: - A Human Machine Interface update was performed in September/October to identify Child PRESTO cards when they are validated on readers (2021) Status: Accepted and Closed by AG - Fully Implemented May 2024

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
17	The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure adequate controls are in place and consistently applied in the issuance of Child PRESTO cards by Distributors.	Chief Strategy and Customer Officer/Farecard	In Progress	Fraudulent Use of Child PRESTO Cards	<p>Actions:</p> <ul style="list-style-type: none"> - A Human Machine Interface update was performed in September/October to identify Child PRESTO cards when they are validated on readers. This has reduced Child PRESTO cards to less than 2 percent from 6 percent <p>Next Steps:</p> <ul style="list-style-type: none"> -Collaborate with Metrolinx to ensure better controls for the issuance of Child PRESTO cards and other concessions by their Distributors <p>Status: Anticipated completion Q1 2025</p>
18	The Board request the Chief Executive Officer, Toronto Transit Commission, to find ways with Metrolinx to either seize or obtain confirmation of deactivation for Child PRESTO cards found to be fraudulently used.	Chief Strategy and Customer Officer/Farecard	Completed	Fraudulent Use of Child PRESTO Cards	Accepted and Closed by AG - Fully Implemented - August 3, 2021
19	The Board request the Chief Executive Officer, Toronto Transit Commission, to work with Metrolinx to determine the feasibility of temporarily suspending the Child PRESTO cards on the Toronto Transit Commission until appropriate controls are in place.	Chief Strategy and Customer Officer/Strategy and Foresight	Completed/ Not Applicable	Fraudulent Use of Child PRESTO Cards	Accepted and Closed by AG - No Longer Relevant / Not Applicable May 2024
20	The Board request the Chief Executive Officer, Toronto Transit Commission, to conduct a cost-benefit analysis of Transit Fare Inspectors vs. Transit Enforcement Officers with a view to improving the effectiveness and efficiency of the fare inspection program.	Chief Strategy & Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	<p>Actions:</p> <ul style="list-style-type: none"> - In 2023, an internal audit on fare evasion was undertaken. <p>Key Decisions:</p> <ul style="list-style-type: none"> - TTC Management will be looking at the cost benefit analysis as part of the Fare Evasion Strategy for 2024. <p>Status: Anticipated completion Q1 2025</p>
21	The Board request the Chief Executive Officer, Toronto Transit Commission, to review the level of authority, tools and uniform provided to Transit Fare Inspectors to ensure they can carry out their duties in a safe and effective manner.	Chief Strategy & Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	<p>Actions:</p> <ul style="list-style-type: none"> - Uniform review put on hold during COVID pandemic - In Q2 2024 completed review uniform proposals based on jurisdictional scan <p>Next Steps:</p> <ul style="list-style-type: none"> - Update of uniform to be integrated into procurement process in 2025 - Hire consultant to review level of authority of Transit Fare Inspectors <p>Status: Anticipated recommendation closure Q4 2025</p>

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
22	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to take steps to improve the speed, reliability, and functionality of PRESTO hand-held devices for fare inspections. Such steps should include, but not be limited to:</p> <p>a. Improving tracking and reporting of the functionality and repairs of the hand-held devices;</p> <p>b. Finalizing the Service Level Agreement with Metrolinx, which should specify a level of speed and functionality for the hand-held devices that meets Toronto Transit Commission's business requirements; and</p> <p>c. Holding Metrolinx accountable for its contracted service requirements on the speed, reliability and functionality of the hand-held devices supplied to the Toronto Transit Commission.</p>	Chief Strategy and Customer Officer/ Farecard and Revenue Protection	In Progress	Metrolinx	<p>Actions:</p> <ul style="list-style-type: none"> - 22a) Metrolinx has applied a new process to improve tracking and reporting of repairs - 22b) Completed – Performance targets for hand-held point of sales devices have been established within the Service Level Agreement -22c) As part of the Device Refresh project the TTC has worked with Metrolinx to replace the TC55 hand-held devices with new TC57 devices <p>Key Decisions:</p> <ul style="list-style-type: none"> -Full acceptance of the new Hand Held Point of Sales devices is expected by September 2024 <p>Status: Recommendation closure Q3 2024</p>
23	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to improve the effectiveness of the off-boarding inspection process to minimize the number of passengers walking away from fare inspection, including measures such as installation of temporary or permanent physical barriers where feasible, and assigning a sufficient number of Transit Fare Inspectors and Transit Enforcement Officers for the off-boarding inspection.</p>	Chief Strategy and Customer Officer/ Revenue Protection/	In Progress	Fare Inspection Program	<p>Actions:</p> <ul style="list-style-type: none"> -Off-board inspections resumed in 2023 with the implementation of new Handheld Point of Sale devices - Larger teams deployed to off-boards to better manage large crowds during the off boards - New Mobile ticketing devices and new Hand Held Point of Sales devices were implemented in 2023 to increase performance and reduce walk-aways <p>Status: Recommend to close Q1 2025 with data supporting increase inspections of off-boards</p>
24	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to provide Transit Fare Inspectors with efficient access to the previous fare evader database during inspections.</p>	Chief Strategy and Customer Officer/ Revenue Protection	In Progress	Fare Inspection Program	<p>Actions:</p> <ul style="list-style-type: none"> - Mobile ticketing device implemented, allows TFI to see if customer has previously been issued a ticket (May 2024) - Keeping a record of Cautions issued and providing it to Prosecutors to use in prosecution (Jan 2024) - Mobile ticketing will be expanded to include cautions in Q4 2024 <p>Status: Anticipated recommendation closure by Q4 2024</p>

Recommendation #	AG Report Recommendation	Owner	Status	AG Category	Action Plan
25	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to improve the effectiveness and consistency of the scheduling practices of its fare inspection program to:</p> <p>a. Ensure the route and timing coverage is risk-based and strategic;</p> <p>b. Increase the use of plain clothed Transit Fare Inspectors as it enables a more accurate assessment of fare evasion rates and a more effective inspection program.</p>	<p>Chief Strategy and Customer Officer/ Revenue Protection</p>	In Progress	Fare Inspection Program	<p>Actions: -a) Evidence-based deployment is being used to inform fare inspection scheduling practices. (Jan 2024) --b) Met with Toronto Ombudsman and Toronto Auditor General to under direction for the implementation of this recommendation. Next Steps: - Professor Wortley and Owusu-Bempah will analyze the impact use of plain clothes on vulnerable groups (October 2024)</p> <p>Status: Anticipated closing this recommendation by Q1 2025</p>
26	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to explore ways to increase actual inspection time by Transit Fare Inspectors including:</p> <p>a. Automating the manual ticketing process and the recording and reporting of fare inspection results;</p> <p>b. Assessing the feasibility of establishing an internal fare evasion ticket appeal process, similar to Metrolinx (GO Transit); and</p> <p>c. Exploring ways to reduce travel time by Transit Fare Inspectors between their reporting and lunch locations and assigned routes.</p>	<p>Chief Strategy and Customer Officer/ Revenue Protection</p>	In Progress	Fare Inspection Program	<p>Actions: a) Fully implemented new Handheld Point of Sales devices that accurately report fare inspection results as well full rolled out mobile ticketing devices. (Completed in Q3 2023-Q2 2024) Next Steps: b) Hire a consultant to determine feasibility of internal fare evasion ticketing process (Q4 2024) - Propose recommendation to TTC Board (Q3 2025) c) Identified new reporting locations closer to streetcar routes as well as additional lunch locations (August 2024)</p> <p>Status: Anticipated recommendation closure by Q2 2025</p>
27	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to finalize updating the TTC By-law No.1 and enhance the Fare Inspection Policies and Procedures manual to ensure they are up to date and include sufficient details to facilitate consistent fare inspections.</p>	<p>Chief Strategy and Customer Officer/ Legal</p>	In Progress	Fare Inspection Program	<p>Actions: - April 2024 - TTC Board approved new policies that will necessitate an update a change to the Policies and Procedures Manual - Revisions of TTC By-law No.1 are underway and will include approach for internal appeal process first - Current process: Fine of either \$235 or \$425 and prosecution agrees to early resolution for over 80% of cases, final charge around \$80 Next Steps: - Hire a consultant to determine appropriate fines for fare evasion (September 2024) - Policy Consultant to update Fare Inspector's Policies and Procedures Manual (November 2024)</p> <p>Status: Anticipated recommendation closure by Q2 2025</p>