



2021 Annual Report





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May 24, 2022

To His Worship Mayor Ed Holder  
and Members of Municipal Council

**Re: 2021 London Transit Commission Annual Report**

On behalf of the Commission, please find attached LTC's 2021 Annual Report for Council's review and consideration.

Consistent with the Business Planning Process, each year an Annual Report is completed and shared publicly. The report provides an overview of how the LTC performed against each of the strategic outcomes identified in the Business Plan.

Yearly, each of the Strategic Outcomes is graded by administration based on the following scale.

Grade	Criteria
Excellent	All initiatives set out in the Business Plan under the objective have been successfully achieved
Good	Progress toward completion of all initiatives under the objective is consistent with expectations in the Business Plan
Satisfactory	Progress toward completion of all initiatives under the objective is slower than expectations in the Business Plan
Needs Improvement	Significant focus needs to be directed at the initiatives under the objective

The declaration of a global pandemic in March of 2020 and the ongoing nature of same has presented numerous challenges with respect to meeting the established Strategic Outcomes set out in the Business Plan. While both the conventional and specialized services continued to operate throughout the pandemic, the manner in which they operated was altered significantly, with many of the key objectives taking a back seat to pandemic-related practices and protocols intended to keep riders and employees safe while continuing to operate a service that was essential to keeping London moving.

The significant declines in ridership and related revenue associated with the pandemic-related lockdowns, coupled with increased costs associated with enhanced cleaning and other safety protocols have collectively skewed most of the traditional key performance indicators that are reported on annually as part of this report. Additionally, some of the initiatives on the 2021 Work Program had to be deferred due to resource limitations. Notwithstanding these issues and impacts, this report will continue to follow the traditional approach for transparency purposes.

While continuing to operate a public transit service through the pandemic presented many challenges, the response to those challenges also offered some key insights that will be relied upon as the organization, as well as the public transit industry at large begins to navigate through what will eventually become the new normal.

The most significant outcome of the pandemic from a public transit perspective, was the recognition by all levels of government, of the value that a viable public transit service provides to its community. Both the Federal and Provincial governments demonstrated this understanding through the provision of the Safe Restart Funding Program, which provided for funding to support the continuation of services noting the losses in revenue and increased operating costs that were being experienced by all transit systems. During the pandemic period, historical measures including rides per service hour and cost recovery ratios were no longer the driving factors in decision making, with discussions centering on ensuring that adequate service levels remained in place to provide the ability for transit riders to access essential services and jobs.

This recognition provided a reminder to transit systems that the value they provide is measured by three key stakeholder groups; the transit customer, the community at large, and the taxpayer. What also became clear is that each group's values cannot be measured solely by the traditional metrics that transit systems have relied upon. Further, the onset and continuation of the pandemic which has resulted in significant shifts in the manner in which people work and move in their communities has significantly impacted the transit system's ability to predict and plan for the future.

While all of this presents a challenge, it also presents an opportunity. 2022 will be a year to engage with all three stakeholder groups in an effort to identify their priorities for a quality public transit service in their community. This information will form the foundation of the next Business Plan, which will cover the period 2023-2026.

In closing, and for the second consecutive year, every London Transit employee needs to be commended for their dedication and commitment to ensuring public transit services continued to operate throughout the pandemic without interruption. Responding to evolving public health guidance, new policies and procedures to protect employee health and safety, and dealing with the pandemic implications that impacted personal lives were all challenges that were navigated by the entire London Transit team through 2021 as well as the early parts of 2022.

We of course, extend our gratitude to Municipal Council and the civic administration for their continued support, and look forward to working together on the Rebuilding Phase of our Pandemic Response Plan in an effort of providing a trusted transit system for all Londoners.

Yours truly,



Jesse Helmer  
Chair

Enclosure

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## THE LONDON TRANSIT COMMISSION

### COMMISSION - CURRENT

<b>JESSE HELMER</b>	<b>CHAIR</b>
<b>SHERYL ROTH</b>	<b>VICE CHAIR</b>
<b>ANNA HOPKINS</b>	<b>COMMISSIONER</b>
<b>TARIQ KHAN</b>	<b>COMMISSIONER</b>
<b>STEPHANIE MARENTETTE</b>	<b>COMMISSIONER</b>

### SENIOR MANAGEMENT - CURRENT

<b>KELLY PALECZNY</b>	<b>GENERAL MANAGER</b>
<b>MIKE GREGOR</b>	<b>DIRECTOR OF FINANCE</b>
<b>SHAWN WILSON</b>	<b>DIRECTOR OF OPERATIONS</b>
<b>KATIE BURNS</b>	<b>DIRECTOR OF PLANNING</b>
<b>CRAIG MORNEAU</b>	<b>DIRECTOR OF FLEET &amp; FACILITIES</b>
<b>JOANNE GALLOWAY</b>	<b>DIRECTOR OF HUMAN RESOURCES</b>

## EXECUTIVE SUMMARY

London Transit's vision in the 2019-2022 Business Plan is to be *the valued and trusted mobility choice for Londoners*. The vision is supported by the mission statement which is *moving Londoners – progressively, reliably and affordably*.

The vision and mission are supported by five linked and, in certain respects, competing strategic outcomes, namely:

- An integrated, affordable and valued mobility choice
- An engaged, diverse and respectful workplace
- Demonstrated fiscal accountability
- Being open, transparent and understood
- Effective utilization of infrastructure

Consistent with the Business Planning Process, each year an Annual Report is completed and shared publicly. The report provides an overview of how the LTC performed against each of the strategic outcomes identified in the Business Plan.

Yearly, each of the Strategic Outcomes is graded by administration based on the following scale.

Grade	Criteria
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Needs Improvement	Significant focus needs to be directed at the initiatives under the objective

The declaration of a global pandemic in March of 2020 and the ongoing nature of same has presented numerous challenges with respect to meeting the established Strategic Outcomes set out in the Business Plan. While both the conventional and specialized services continued to operate throughout the pandemic, the manner in which they operated was altered significantly, with many of the key objectives taking a back seat to pandemic-related practices and protocols intended to keep riders and employees safe while continuing to operate a service that was essential to keeping London moving.

The significant declines in ridership and related revenue associated with the pandemic-related lockdowns, coupled with increased costs associated with enhanced cleaning and other safety protocols have collectively skewed most of the traditional key performance indicators that are reported on annually as part of this report. Additionally, some of the initiatives on the 2021 Work Program had to be deferred due to resource limitations. Notwithstanding these issues and impacts, this report will continue to follow the traditional approach for transparency purposes.

The table below sets out the performance against the outcomes for the 2021 fiscal year, none are graded excellent given the deviation from the Business Plan required as the result of the pandemic.

Strategic Outcome	Grade	Comments
An integrated, affordable and valued mobility choice	Good	The continuation of public transit services throughout the pandemic ensured Londoners had access to essential jobs and destinations.
Demonstrated fiscal accountability	Good	Overall effective cost management notwithstanding the service impacts of the ongoing pandemic.
Being open, transparent and understood	Good	Continued use of social media for outside stakeholders during the pandemic and increased efforts to communicate pandemic-related information to employees.
Effective utilization of infrastructure	Good	Capital programs for the most part continued notwithstanding the ongoing pandemic.
An engaged, diverse and respectful workplace	Good	Overall priority centered on ensuring the health and safety of all employees (including psychological health)

While progress toward all of the Strategic Outcomes is graded as ‘good’, it is important to recognize these grades are measured against progress on the initiatives included in the Business Plan while also giving consideration to the fact that operating a transit system through a pandemic necessitated deviation from some specific initiatives.

While continuing to operate a public transit service through the pandemic presented many challenges, the response to those challenges also offered some key insights that will be relied upon as the organization, as well as the public transit industry at large begins to navigate through what will eventually become the new normal.

The most significant outcome of the pandemic from a public transit perspective, was the recognition by all levels of government, of the value that a viable public transit service provides to its community. Both the Federal and Provincial governments demonstrated this understanding through the provision of the Safe Restart Funding Program, which provided for funding to support the continuation of services noting the losses in revenue and increased operating costs that were being experienced by all transit systems. During the pandemic period, historical measures including rides per service hour and cost recovery ratios were no longer the driving factors in decision making, with discussions centering on ensuring that adequate service levels remained in place to provide the ability for transit riders to access essential services and jobs.

This recognition provided a reminder to transit systems that the value they provide is measured by three key stakeholder groups; the transit customer, the community at large, and the taxpayer. What also became clear is that each group’s values cannot be measured solely by the traditional metrics that transit systems have relied upon. Further, the onset and continuation of the pandemic which has resulted in significant shifts in the manner in which people work and move in their communities has significantly impacted the transit system’s ability to predict and plan for the future.

While all of this presents a challenge, it also presents an opportunity. 2022 will be a year to engage with all three stakeholder groups in an effort to identify their priorities for a quality public

transit service in their community. This information will form the foundation of the next Business Plan, which will cover the period 2023-2026.

In closing, and for the second consecutive year, every London Transit employee needs to be commended for their dedication and commitment to ensuring public transit services continued to operate throughout the pandemic without interruption. Responding to evolving public health guidance, new policies and procedures to protect employee health and safety, and dealing with the pandemic implications that impacted personal lives were all challenges that were navigated by the entire London Transit team through 2021 as well as the early parts of 2022.



## AN INTEGRATED, AFFORDABLE AND VALUED MOBILITY CHOICE

The strategic objective calls for the continued development and delivery of accessible public transit services that are integrated with other modes of transportation, dynamic in nature and considered a valued investment to all stakeholders. The following table sets out an assessment of the 2021 performance against key elements of this strategy, noting the measures used to determine the grading have historically included ridership change and total ridership, service hour change and total service hour investment, customer satisfaction rating, and investment share allocation.

Given the ongoing global pandemic that continued to impact 2021, performance against the key elements of this strategy were viewed in light of the organizational impacts associated with operating under these conditions. As such, some of the elements are listed as N/A noting initiatives included in the annual work program intended to address these elements were put on hold as part of the organization’s pandemic response. Additionally, while the manner in which the system operated throughout the majority of 2021 was not consistent with pre-pandemic years, progress was still graded on those elements that remained applicable. Public transit services continued to be provided to all areas of London normally served by transit throughout 2021, albeit in some cases at reduced frequency. Details with respect to perceived progress toward each of the elements are commented on in greater detail following the table below.

Key Elements	Grade
Ongoing development of a safe, integrated and accessible public transit service ensuring the service meets the needs of a growing, competing and changing market.	Good
Use of proven technology supporting the effective, efficient delivery of transit services.	Good
Exploration of initiatives intended to grow transit ridership	N/A
Continued focus on improving the customer experience	Excellent
Progressing in the development and delivery of integrated, accessible public transit services	N/A

### *Conventional Transit Services*

Consistent with 2020, conventional transit services continued to operate throughout 2021 notwithstanding the various lockdowns and other restrictions that were established in response to ongoing pandemic waves.

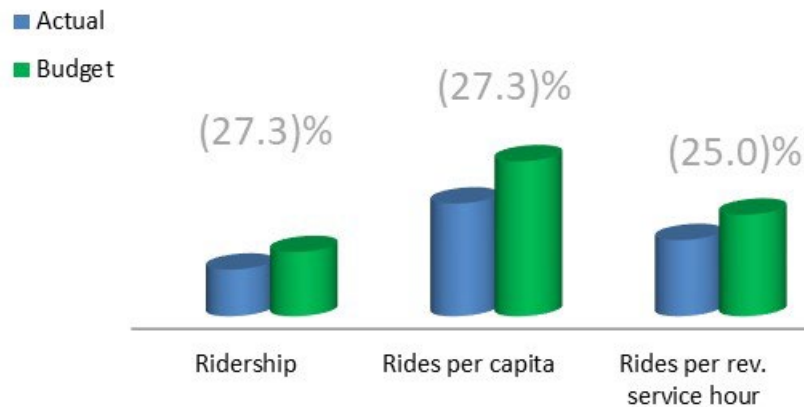
Service levels remained at approximately 90% of pre-pandemic levels throughout 2021 due to resource availability. The approach taken with respect to service reductions was to reduce frequencies where necessary but not to eliminate service to any area of the city. Ridership levels on the conventional service mirrored the pandemic waves that occurred in 2021 as depicted in the following graph which illustrates ridership as a percentage of pre-pandemic levels.

### 2021 Conventional Transit Ridership as a Percent of 2019 (Pre-Pandemic)



As the graph illustrates, subsequent to the April wave, ridership began to steadily climb for the remainder of the year, dropping again in mid-December at the onset of that wave and associated lockdowns and restrictions. As noted in the following chart which compares actual 2021 ridership and related measures to 2021 budget, performance continued to be impacted by the global pandemic. The 2021 budget anticipated continued pandemic-related impacts albeit not to the extent to which they occurred both early in 2021 and again in December.

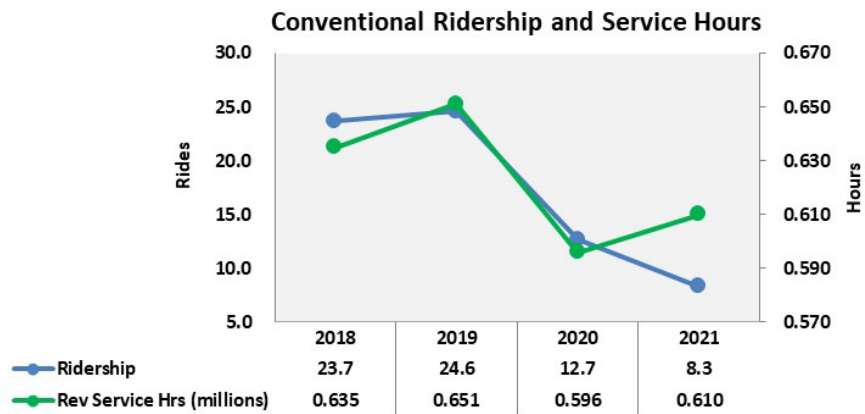
### 2021 Ridership Performance Actual vs. Budget



The continuation of the Safe Restart Funding program, supported by the Provincial and Federal governments, provided an offset for the revenue losses associated with the lower than budget ridership, which in turn allowed the continued operation of services at a much higher level than could have been supported by the farebox revenue alone. The recognition of the need for the continued operation of public transit services throughout the pandemic period by all levels of government represents an opportunity for transit systems to begin to transition away from the traditional focus on R/C ratios and minimum boarding thresholds toward a focus on the value the services provide to the community. This is not to say that the traditional efficiency and

effectiveness measures should be discounted entirely, but rather viewed in tandem with other positive impacts the transit system brings to the community including community access, economic benefits, climate and health benefits, and reduced congestion levels.

The ridership and service hour performance over the period of 2018-2021 is set out in the following chart, noting that the pandemic-related impacts on the organization in 2020 and 2021 result in the inability to directly compare these years to previous years. The previous year's data is provided for transparency purposes and an indication of where the measures were pre-pandemic.



The total service hours provided in 2021 were higher than that of 2020 given service levels remained at 90% of normal throughout 2021, versus the significant fluctuations experienced in 2020 due to significant resource constraints early in the pandemic. Ridership in 2021 is less than 2020, however this is due to the fact that there were almost three months of normal operation in 2020 prior to the declaration of the global pandemic. Removing those three months from the equation results in overall ridership levels during the pandemic being higher in 2021 than 2020.

<sup>1</sup>Rides per capita: total rides divided by population – provides for comparison of ridership levels across municipalities of varying populations

<sup>2</sup>Rides per revenue service hour: total rides divided by total hours vehicles are providing service – measures the efficiency of the system

Continuing the discussion with respect to the value versus the volume of public transit, the measure of ‘rides per revenue service hour’ provides a good example of how two different stakeholder groups will view and prioritize this measure. From the tax payer’s perspective, the higher the number the better, as it indicates that the vehicles on the road are being heavily utilized and farebox revenue is supporting a large portion of the operating cost of the vehicle. Conversely, from the customer’s perspective, a lower number means they will be more likely to have a seat while completing their trip versus standing on a crowded bus.

Continuing this discussion, when viewing total ridership from the graphs above from a volume perspective, the 8.3 million trips provided in 2021 could be viewed as being too low, or not enough to warrant the service levels from the taxpayer perspective. However from the perspective of the community at large, and to a lesser degree the counter taxpayer perspectives, 8.3 million trips were provided on public transit, which enabled Londoners to get to work, school and other essential destinations, which in turn ensured that essential services were able to continue to operate through the pandemic period. From the customer’s perspective, the levels of service that continued to operate ensured access to their community.

In addition to comparing against internal key performance indicators, London Transit also measures service performance by comparison to a peer group of Ontario transit systems (with bus operations only and with populations greater than 100,000). The following table sets out a comparison of 2020 key service performance indicators for LTC versus the identified Ontario group average noting the 2021 group data will not be published until the fall of 2022. The comparison information is compiled and published by the Canadian Urban Transit Association (CUTA).

**Conventional Transit Services – Summary Performance Comparison**

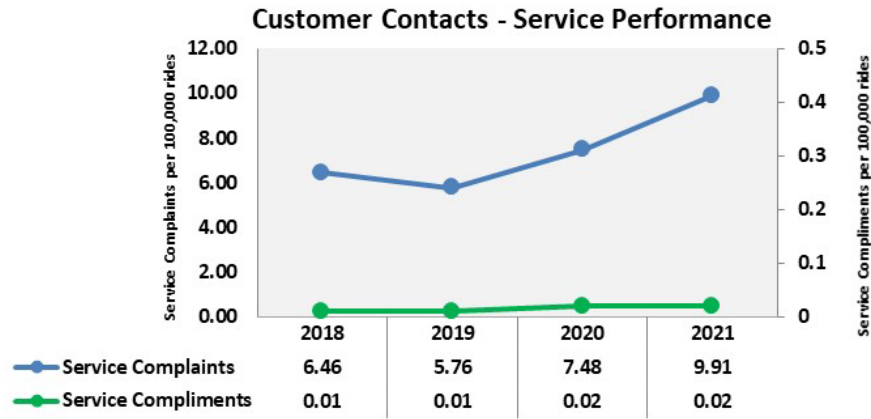
<b>Description Service Performance</b>	<b>2020 Peer Average</b>	<b>2020 LTC</b>	<b>Ranking</b>
Ridership (millions)	7.1	12.7	<b>3<sup>rd</sup></b>
Rides per capita	18.2	30.6	<b>1<sup>st</sup></b>
Rides per service hour	14.4	21.3	<b>1<sup>st</sup></b>
Service hours per capita	1.2	1.4	<b>4<sup>th</sup></b>

Note: Peer group includes 16 Ontario transit systems in municipalities with a population greater than 100,000. (York Region, Mississauga, Durham Region, Brampton, Hamilton, Waterloo Region, London, Windsor, Oakville, Burlington, St. Catharines, Sudbury, Barrie, Guelph, Thunder Bay and Kingston).

As illustrated in the table, London maintained its good standing in comparison with the peer group in 2020, the first year of the global pandemic. The London rankings in the four categories did not change from the 2019 rankings, illustrating the pandemic related impacts were experienced consistently across the peer group.

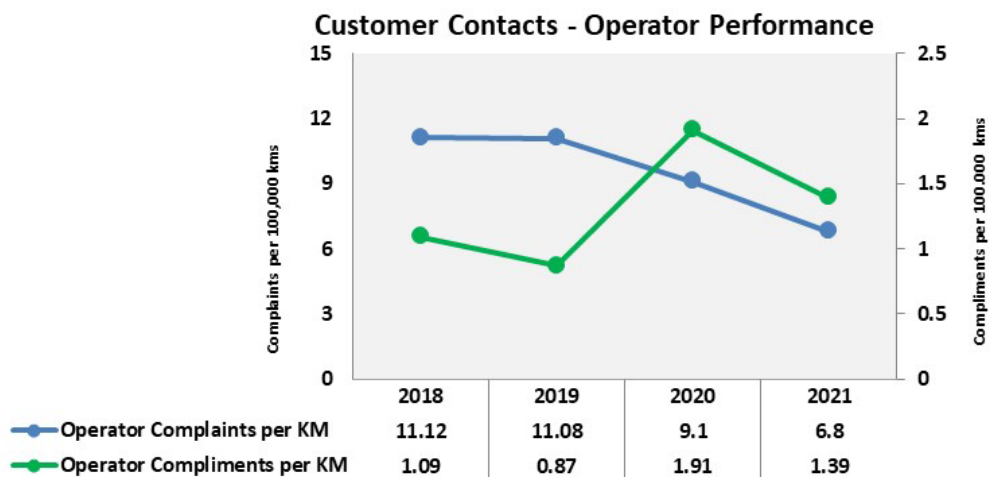
Service quality is also measured through feedback from the customer, which beginning in 2016 includes the addition of the feedback received through the Voice of the Customer surveys. Historically customer contacts were relied upon as the only measure of customer satisfaction; however given that customers of any service are far more likely to contact the provider with a complaint when they have had a poor experience versus calling to provide a compliment when they have had a good experience, the Voice of the Customer program was launched to gain a better understanding of our customers perspectives. Unfortunately the annual Voice of the Customer Survey had to be put on hold during the pandemic, and as such there are no current results to share.

The following chart illustrates that service performance complaints had been declining pre-pandemic, but began to increase in 2020 and continued to trend upwards in 2021.



In an effort to have comparable statistics, the values in the chart illustrate the total complaints and compliments per 100,000 riders. While this approach normalizes the number being displayed, it does not account for the extreme variances in operating conditions pre and during the pandemic period. By way of example, the top category of complaints in 2018/19 was “late schedule” and complaints in this category dropped by approximately 70% in 2020 and 2021. The reduced vehicular traffic coupled with reduced ridership both played a significant role in buses being better able to remain on schedule throughout 2021. While not specifically identified in the table, given bus schedules were not modified to reflect the reduced traffic and ridership, a number of contacts were received from riders angry that buses were sitting at stops for extended periods of time. These extended dwell times were required in order to ensure that buses remained on schedule and did not get ahead of schedule, which would result in riders missing the bus and having to wait for the next one.

The other major area of analysis regarding service quality is Operator performance, which is assessed in terms of both complaints and compliments. Performance results from the customer contact system for 2018 to 2021 are set out in the following chart.



Driving related Operator complaints declined in virtually every category in 2020/21 as compared to previous years. The makeup of complaints per category remained consistent over the period, notwithstanding the differing operating conditions in 2020 and 2021. Total complaints with respect to 'service received from the Operator' also decreased in 2021 to the lowest in the four-year horizon with approximately 50% of complaints in this category being directly related to the pandemic.

*Specialized Transit Services*

Consistent with the conventional service, specialized services continued to operate throughout 2021, ensuring mobility to the registrants who rely on the service for access to the community. The graph below illustrates the fluctuations in ridership throughout 2021 which mirrored the various waves of the pandemic.

2021 Specialized Transit Ridership as a Percent of 2019 (Pre-Pandemic)

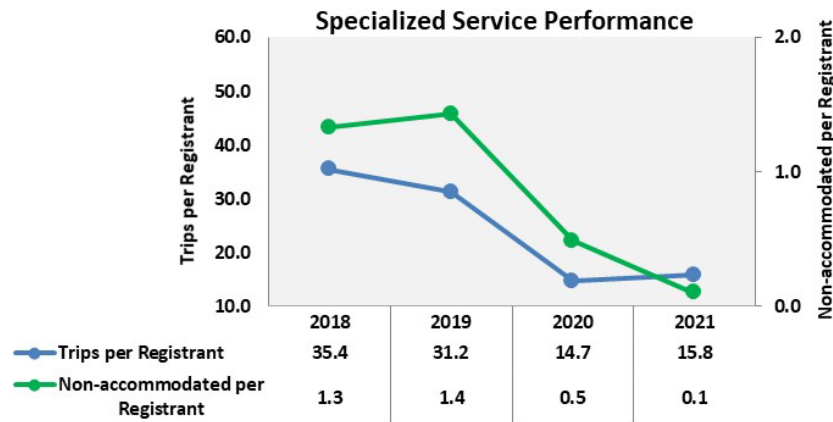


The following table provides a comparison of ridership and service hours actual to budget performance for 2021. The financial impacts on the specialized service were able to be mitigated to a large extent given service levels could be adjusted to match demand given the pre-booked nature of the service. Given the demographic that makes up the majority of specialized transit registrants, the demand for this service was limited mainly to essential medical trips and for groceries, which resulted in a steep decline in demand.

**2021 Ridership and Service Hours Actual to Budget Performance**

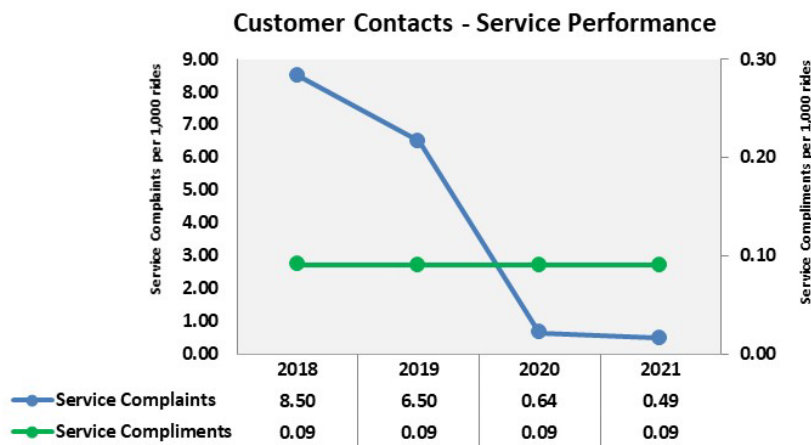
Description	Actual	Budget	Amount Better (Worse)	Percent Better (Worse)
Total ridership	168,600	192,500	(23,900)	(12.4)%
Service hours	122,200	157,300	(35,100)	(22.3)%
Registrants	10,900	11,000	(100)	(0.9)%
Total trips/registrant	15.5	17.5	(2.5)	(14.3)%

The following chart sets out the trends of 'trips per registrant' and 'non-accommodated trips per registrant' for the period 2018 to 2021.



The steep decline in trips per registrant in 2020/21 is indicative of a significant portion of the specialized service registrants significantly reducing their travel during the pandemic. The measure in the graph depicts the total trips per registrant based on the assumption that all registrants are making use of the service, which is typically the case. The significant decline in non-accommodated trips per registrant is measured in the same manner, and as such, shows a higher rate for 2020/21 than actual, in fact during the majority of 2021 there were no non-accommodated trips on the specialized service.

As referenced in the chart below, service complaints are down significantly during the pandemic period as compared to previous years. Compliments relating to service have remained consistent over the four year period.



The top category of complaints in 2021 was “service received”, which includes issues such as length of trip, drop off locations, and pick up locations, with the majority being directly related to the pandemic, and issues customers had with the manner in which the service was being delivered in light of it.

As with conventional transit, specialized transit performance results are assessed from a service perspective in comparison to all other Ontario specialized transit systems. The following table

sets out a comparison of key service performance indicators for LTC in 2020 versus the identified Ontario group average.

**Specialized Transit Services – Summary Performance Comparison**

Description	2020	
	Ontario Avg.	2020 LTC
<b>Service Performance</b>		
Service hours per capita	0.3	0.4
Total trips per capita	0.2	0.3
Total trips per service hour	2.2	1.2
Trips per eligible registrant	28.1	14.3

Average includes all specialized services operating in Ontario

London’s performance in 2020 was consistent to past years in terms of peer group comparison, indicating that the operational impacts of the pandemic were felt equally across specialized services in Ontario.



## DEMONSTRATED FISCAL ACCOUNTABILITY

The strategy calls for prudent fiscal and operational management, supporting sustainability, competitive positioning, affordability and valued return on investment. The investment return includes social, economic and environmental returns. As discussed earlier in this report, the return on investment in public transit services for the City needs to be expanded to include elements that are priorities to each stakeholder group going forward. The elements set out in the table below focus primarily on the priorities of the taxpayer.

Key Elements	Grade
Providing a high quality and economically sustainable transportation service	Good
Ensuring decisions regarding investment (operating and capital) are evidenced-based, and are consistent with the goals and objectives of the organization and services	Excellent
Establishing a sustainable financial strategy, one that reflects the unique dynamics (characteristics) of each investment source	Good
Fostering an environment of continuous improvement that is, doing the right things at the right time in the most effective and efficient manner	Good
Optimizing investment and utilization of existing and new technologies supporting the effective and efficient delivery and management of the service	Good

### *2021 Operating Budget Program*

The 2021 operating budget program for conventional and specialized transit services totalled approximately \$92 million; however, as has been previously outlined in this report, was subject to significant impacts related to the pandemic declaration. The 2021 operating program finished the year with a \$14.0 million unfavourable variance which was offset by the Safe Restart Funding program provided by the Federal and Provincial governments.

The major factors contributing to the budget deficit include the following:

- Overall unfavourable revenue performance relating to:
  - Lower than budgeted ridership throughout 2021 due to the pandemic and varying stages of lockdown
  - lower than budgeted Provincial Gas Tax contributions as the result of reduced service levels

which were offset by expenditure performance relating to:

- lower than expected labour costs relating to reduced service levels
- costs associated with pandemic related protocols that were not budgeted (e.g. daily bus cleaning, hand sanitizer, PPE for employees, etc.)
- lower than expected contract costs for the specialized service relating to reduced service levels

As noted in the following chart, the actual source of 2021 operating investment varied significantly from budget primarily due to the existence of the Safe Restart funding to cover pandemic-related budget impacts. City investment levels have, for the most part, been flat-lined over the course of the last four years, given the economic climate and related constraints on public investment.

**2021 Operating Budget Source of Investment  
Conventional and Specialized Transit Systems**

Description	2021 Actual	2021 Budget
Transportation/Operating revenue	41.1%	30.8%
Provincial gas tax	6.3%	12.3%
City of London	41.7%	44.6%
Safe Restart	10.8%	12.4%
	100.0%	100.0%

Financial performance is compared to the Commission’s peer group in the same manner as service performance for the respective services. In terms of conventional services in comparison to the peer group, London’s performance is at or near the top in all key financial performance indicators, as noted in the following table.

**Conventional Transit Services – Summary Performance Comparison**

Description Service Performance	2020 Peer Average	2020 LTC	Ranking Out of 16
<b>Financial Performance</b>			
Operating cost per ride	\$7.79	\$3.53	16 <sup>th</sup> (lowest)
Municipal cost per ride	\$6.25	\$2.38	16 <sup>th</sup> (lowest)
<b>Total Operating Cost Sharing</b>			
Municipality	62.8%	44.8%	16 <sup>th</sup> (lowest)
Passenger & Operating	21.9%	33.7%	1 <sup>st</sup>
Provincial gas tax + Safe Restart	15.3%	8.5%	14 <sup>th</sup>

Note: Peer group includes 16 Ontario transit systems in municipalities with a population greater than 100,000. (York Region, Mississauga, Durham Region, Brampton, Hamilton, Waterloo Region, London, Windsor, Oakville, Burlington, St. Catharines, Sudbury, Barrie, Guelph, Thunder Bay and Kingston).

As noted, LTC’s municipal operating investment is well below the peer group average, ranked 16<sup>th</sup> (last) of the 16 transit systems comprising the peer group in 2020. As discussed previously in this report, the metrics for 2021 were significantly impacted by the operating conditions during the pandemic noting that service continued to operate notwithstanding declines in ridership. The service levels that remained in place were significantly higher than what would be traditionally warranted based on ridership levels; however, this was done so in an effort to avoid crowding on buses. London’s peer group transit systems reported similar impacts for 2020 given operating conditions across the province were very similar.

Similar impacts were experienced on the specialized transit services, with significant jumps in costs per ride experienced across the province.

**Specialized Transit Services – Summary Performance Comparison  
Ontario Specialized Systems**

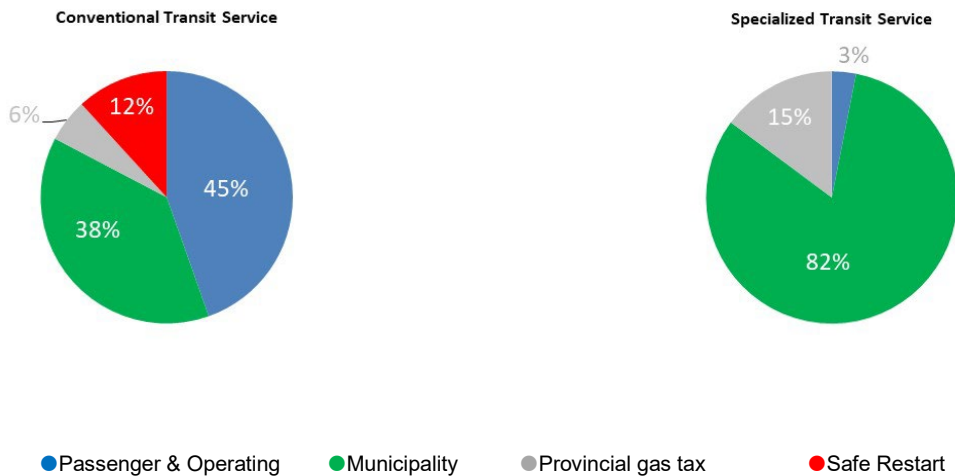
Description Service Performance	2020 Peer Average	2020 LTC
<b>Financial Performance</b>		
Operating cost per ride	\$54.13	\$55.32
Municipal cost per ride	\$48.38	\$50.30
<b>Total Operating Cost Sharing</b>		
Municipality	88%	91%
Passenger & Operating	5%	3%
Provincial gas tax	7%	6%

Consistent with the conventional service, the 2021 metrics have varied significantly due to the levels of service that continued to operate through very low ridership periods in an effort to limit passengers on board while also ensuring service would be available for anyone requiring a same day trip booking. Of note, given the overall savings in the specialized operating budget as the result of reduced service levels on a contracted service, there is no Safe Restart funding associated with this budget, in fact, given the funding guidelines, the savings from the specialized budget were required to offset to the additional costs on the conventional service when applying the funding.

The charts below set out the investment share of the various funding sources for both the conventional and specialized services for 2021. As indicated earlier in this report, the Safe Restart funding was utilized in 2021 to balance the overall operating budget (the net of increased cost on the conventional service and savings on the specialized service).

As the charts indicate, approximately 12% of the conventional transit service operating budget was funded with Safe Restart funding. Had this funding program, supported by the Provincial and Federal governments, not been provided, significant service reductions would have been required in order to balance the operating budget.

**2021 Percent Share of Source Investment  
Conventional and Specialized Transit Services**

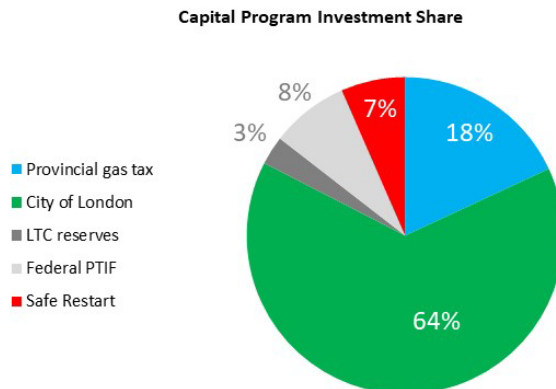


## 2021 Capital Budget Program

The 2021 capital investment program totalled approximately \$13.7 million, funding a number of projects including:

- Bus replacement: a \$10.3 million project providing replacements for 17 buses was completed in 2021. The bus replacement program is critical to supporting fleet reliability and lowering fleet maintenance costs by moving to an average fleet age of six years.
- Bus expansion: a \$1.3 million project providing for 2 expansion buses to allow for implementation of the 2021 conventional service improvements
- Air Purification System: a \$0.9 million project that was not initially included in the 2021 budget but was implemented due to the ongoing pandemic. This project equipped the entire conventional transit fleet with on-board air purification systems, resulting in a cleaner and safer ride for employees and riders.
- A total of \$1.2 million was spent on other various projects in 2021 including bus stop upgrades, shop and garage equipment, service fleet replacement and facility upgrades

All of the capital programs operated within budget. Capital investment in 2021 was shared as follows.



## BEING OPEN, TRANSPARENT AND UNDERSTOOD

The strategy calls for all stakeholder communications to be conducted in an open, transparent, timely and inclusive manner supporting common knowledge and understanding. The following table sets out an assessment of 2021 performance against key elements of this strategy, noting the measures used to determine the grading include the number of communication tools employed, the frequency of use of the communications tools, and stakeholder satisfaction ratings.

Key Elements	Grade
Developing informed relationships with all stakeholders both internal and external to LTC	Good
Employing a consistent communication brand supporting clear, concise and timely communication	Good
Investing in and effectively utilizing a variety of communication forms and technology to build and sustain informed relationships	Good
Developing and implementing mechanisms to provide for enhanced engagement with employees	Good

The requirement for strong communications to all stakeholders was heightened through the pandemic given the service impacts experienced throughout the year. Corporate social media accounts and media alerts were relied upon to keep riders informed of service impacts, and were done so in a manner to provide the most advance notice possible.

Customers and the public at large have a number of options to interact with London Transit. Those looking for dialogue, or some form of response, can use the customer service phone line or email. In addition to telephone and email, information is also made available through the corporate website, Facebook and Twitter accounts.

The following table provides an overview of the makeup of the various methods that customers and the public can utilize to find information with respect to public transit services. It should be noted that some information is limited to only one source (e.g. Commission agendas limited to corporate website), and as such, the addition of alternative methods of interaction may not directly impact others. The table below sets out the percent make-up of the various methods of interaction between LTC and the public at large.

**Percent Make Up of Interaction Methods**

Percent Make Up	2018	2019	2020	2021
Information line - answered calls	3.6%	2.2%	2.7%	3.3%
Interactive voice response	9.5%	4.6%	4.6%	5.9%
Website - main site visits	68.3%	41.4%	38.3%	47.3%
Website - Infoweb real-time	18.6%	13.0%	12.1%	17.3%
Facebook page visits	0.0%	1.8%	5.6%	3.3%
Twitter Impressions	0.0%	36.9%	36.7%	22.9%
Total	100.0%	100.0%	100.0%	100.0%

LTC also recognizes the importance of internal communications, keeping employees informed and thanking them for their efforts. In 2021, COVID boards, established in 2020, were kept updated, providing employees with up-to-date information specific to the ongoing pandemic. Additionally, there are a number of mechanisms in place for internal employee communications including payroll inserts, an employee newsletter, internal communications screens, and internal bulletin boards, direct communication (verbal and written) all of which are utilized throughout the year.

## EFFECTIVE UTILIZATION OF INFRASTRUCTURE

The strategy calls for acquisition and maintenance of required infrastructure supporting service reliability, noting infrastructure includes fleet, facility, technology and other fixed assets. The following table sets out an assessment of 2021 performance against key elements of this strategy, noting the measures used to determine the grading include average fleet age, nature and extent of technology employed, and capital investment in new infrastructure.

Key Elements	Grade
Linking asset planning and service planning	Excellent
Effectively utilizing proven technology to meet business/service needs (e.g. smart bus technology to assist with the delivery of quality customer service)	Excellent
Completing evidence based assessments on the acquisition and maintenance of critical infrastructure	Excellent
Continuous review and improvement of systems, processes and procedures supporting effective use of all assets	Good

The reliable accessible infrastructure strategy addresses the maintenance, retention, and acquisition of equipment, facilities, and fleet. Specific programs and policy direction associated with the strategy are reflected in the Commission's Asset Management Plan. The following table sets out the assessment of LTC assets as at December 31, 2021.

Assets	Grade
Facility – 450 Highbury	Satisfactory – adequate for short term
Facility – 3508 Wonderland	Very good – fit for the future
Rolling stock	Very good – fit for the future
Shelters, stops and pads	Very good – fit for the future
Fare and data collection systems	Good – adequate for now
AVL/radio system (smart bus)	Good – adequate for now
Shop equipment and tools	Very good – fit for the future
Smart card system	Very good – fit for the future
All other infrastructure	Very good – fit for the future

The assigned assessment ratings were assessed on infrastructure needs associated with current service growth plans and an ongoing commitment to investing, as a priority, in a state of good repair both in terms of capital investment and maintaining and development of proactive preventative maintenance programs for buses including, ancillary system versus reactive and establishing full service agreements covering both maintenance and upgrades for technology (system) based infrastructure.

Strict adherence to the strategy over the past 10 years has resulted in the elimination of the infrastructure deficit with the exception of the Highbury Avenue facility. The Facility Needs Assessment completed in 2018 indicated that, given current service growth plans, additional facility capacity will be required within the next 10 years. The assessment concluded that the most cost-effective path forward is to demolish the 450 Highbury Avenue North facility in stages and rebuild a larger, purpose-built facility onsite. While the need for increased capacity and improved operational efficiencies is not considered imminent, no funding sources have been identified for this project in the Commission's 10 year Capital Budget for the years 2020-2029.



## AN ENGAGED, DIVERSE AND RESPECTFUL WORKPLACE

The strategy calls for the development of a results-oriented organization attracting, developing and retaining exceptional individuals creating an engaged, diverse and respectful workplace. The following table sets out an assessment of 2021 performance against key elements of this strategy, noting the measures used to determine the grading include training and development hours, employee turn-over rate and employee satisfaction ratings.

Key Elements	Grade
Developing a culture that is inclusive, supportive, and collaborative, respecting individual dignity, promotes accountability and open communication	Good
Developing a learning organization supporting employees being successful in their roles, that recognizes performance and develops human resource capacity to ensure business continuity	Good
Developing a qualified and diverse workforce, reflective of community demographics	Good
Creating a safe work environment and encouraging employee health and wellness and increased focus on employee mental health	Good
Effectively using technology to support employees in their roles	Good

The overall rating of the strategy is defined as good, noting 2021 saw:

- continued development of performance-based management
- ongoing review and change to the organization's structure, reflecting the performance review management program principle of ensuring the most efficient and effective use of resources
- refinement of numerous pandemic-related procedures and protocols intended to protect employees and riders from exposure to the pandemic
- continued focus and attention directed toward employee psychological health and wellness
- constant communication to employees through a number of mediums relating to pandemic related procedures and protocols as they evolved throughout the year

The planning and development of the organization is considered an ongoing initiative. Prior to being filled, vacant positions are reviewed and assessed to ensure the resources are required and/or whether there is opportunity to re-invest the resources elsewhere in the organization where they may be more needed.

## LOOKING FORWARD

The theme of the 2019-2022 Business Plan is “Maintaining the Momentum” intended to relay the underlying objectives of the Plan, which are to continue with initiatives tied to improving service for both conventional and specialized customers, and in conjunction improve the overall customer experience. The four year Business Plan included a number of key initiatives, all intended to contribute to the underlying objective. The onset of the global pandemic in March 2020 resulted in the need to direct focus away from some initiatives included in the Business Plan toward ensuring the conventional and specialized services continued to operate in a manner that was safe for both employees and riders.

Notwithstanding this shift, progress was made on a number of initiatives that will begin the transformation of London Transit as an organization, both in terms of the services it provides and the infrastructure utilized to provide them. 2022 will see the introduction of the first alternative delivery service model, which will serve the Innovation Park industrial area in the south-east. Going forward, similar approaches will be considered for other areas of the City that are difficult to serve with a typical conventional service route. Incorporating this service model into future service plans will provide the ability to provide access to public transit to new areas of London, as well as those that have been historically un-served due to limited ridership opportunities.

In addition, the service improvements set to be implemented in 2022 focus on system-wide improvements, intended to make the conventional service a more viable option for more Londoners. The implementation of the fall of 2022 improvements to routes across the system will result in better connections, more frequent services and better reliability system wide.

The completion of the Zero-Emission Bus Implementation Plan in 2022 will set the path for a full conversion of the conventional transit fleet over the coming years. Subsequent to receipt of the final Implementation Plan, work will begin on finalizing the procurement for an initial fleet of 10 electric buses and the required charging infrastructure to support them. This transition will also require retrofits to the Wonderland Road facility in order to accommodate the charging infrastructure and ability to maintain electric buses. The ZEB Implementation Plan will also place increased priority on the replacement of the Highbury facility, noting any investment in infrastructure supporting the fleet conversion would not be undertaken in the current facility but rather incorporated into the replacement facility. This transition is also anticipated to have a significant impact on human resource requirements noting that a fleet transition of this nature requires a dedicated team with specific skillsets.

The 2019-2022 Business Plan theme of “Maintaining the Momentum” was based on previous years of continued growth in both service levels and ridership on both the conventional and specialized services, which was only possible due to increased municipal investment supported by municipal council. While 2019 programs and initiatives began to deliver on the theme, the declaration of the global pandemic in early 2020 and the resulting impacts on public transit services halted that envisioned momentum. As stated throughout this report, the pandemic raised awareness of the value public transit brings to the communities it serves with all levels of government, and to some extent, all key stakeholder groups. This awareness has resulted in a different kind of momentum that can be seized upon as this Business Plan comes to a close and the next is shaped.

A key input to the 2023-2026 Business Plan will be gathering feedback with respect to priorities

from each stakeholder group; the transit customer, the taxpayer, and the community at large. In addition service plans will need to be revisited in light of the impacts the pandemic has had on ridership levels and patterns, and the extent to which these impacts will last going forward. While there is no question that London Transit provides value to the community, the manner in which those services are provided will need to evolve in response to the manner in which the community and society navigate out of the pandemic period with new habits and routines.

The 2023-2026 Business Plan and related annual reporting process will need to include mechanisms to ensure that reporting can demonstrate progress toward each stakeholder group's priorities, and provide for discussion and supporting data on the value metrics that continued support and investment in London Transit services will provide. This Plan will provide the opportunity and supporting mechanisms to move away from the sole reliance on traditional measuring sticks for a successful public transit service like trips per capita and rides per service hour to a broader discussion adding measures that look at the economic, congestion, climate, health and access impacts in the community.