

Overdue Fines – Update

Date:	September 27, 2021
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with an update on overdue fines, which will include the status for the elimination of overdue fines on material borrowed on children’s library cards as approved through the 2021 City Council budget process in February of 2021. The report also provides information on Toronto Public Library’s (TPL’s) plans to move onto the next phase of fines elimination with the elimination of overdue fines on material borrowed on teen and adult library cards.

As part of TPL’s COVID-19 pandemic response, no overdue fines have been charged to any cardholder since March 2020 and blocks on library cards due to overdue fines have been temporarily lifted. With the Library Board’s April 2021 approval to eliminate children’s overdue fines, TPL plans to purge existing bills on children’s cards related to overdue fines at the end of September 2021. Approximately 1,500 children’s cards will be permanently unblocked as a result of this purge and 30,000 child customers will have their past overdue fines waived. A communication plan for the elimination of children’s fines is currently being developed.

As part of a phased approach, TPL plans to seek approval to eliminate overdue fines on material borrowed on teen and adult library cards as part of the 2022 Operating Budget submission. By eliminating all overdue fines permanently, TPL will remove a barrier for service access, especially for vulnerable groups, and join hundreds of library systems across North America that have already gone fine-free. The experience from other library systems that have gone fine-free has been that materials continue to be returned at the same rate or better. Another finding is that eliminating fines increases use, encourages membership renewals and attracts new customers.

FINANCIAL IMPACT

With suspension of overdue fines since March 2021 in response to the pandemic, the annual revenue lost for children's fines is approximately \$600,000, and teen and adult fines is approximately \$1.4 million. Funding for reduced fines revenues, some of which is classified as a COVID-19 impact, was included as part of the approved TPL 2021 operating budget.

With approval for the permanent elimination of overdue fines for children, outstanding overdue and holds-not-picked-up fines on children's cards, estimated at \$135,000, will be purged by the system at the end of September 2021. The approved 2021 operating budget included funding for the elimination of children's fines.

The planned elimination of teen and adult overdue fines for 2022 will create a budget pressure of approximately \$1.4 million dollars; \$60,000 on teen material and \$1.3 million on adult material. The Toronto Public Library Foundation has once again fundraised \$300,000 to temporarily help offset this budget pressure in 2022.

The Director, Finance & Treasurer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

The 2020-2024 Strategic Plan identifies priorities through an equity lens, working to understand and break down barriers for all, with a focus on equity-deserving groups and vulnerable populations. The plan to eliminate overdue fines aligns with TPL's Strategic Plan actions such as Focus on Equity. Expected outcomes are equitable access to library service, improved customer service, and increased membership and usage of library collections and services.

EQUITY IMPACT STATEMENT

The elimination of overdue fines will have a positive impact on equity-deserving groups and vulnerable populations. The changes align and support the City of Toronto's Poverty Reduction and Equity Initiatives, including Anti-Black Racism and the Toronto Newcomer Strategy, and will help to remove barriers to library use, especially those living in Neighbourhood Improvement Areas (NIAs).

DECISION HISTORY

At its February 18, 2021 meeting, City Council approved TPL's 2021 operating budget which included funding for the elimination of children's overdue fines and on February

22, 2021, the Library Board adopted the Council-approved budget.

<https://www.torontopubliclibrary.ca/content/about-the-library/pdfs/board/meetings/2021/feb22/11-2021-operating-budget-adoption-combined.pdf>

TPL's 2021 operating budget also included information in the 2022 outlook, referencing a plan to seek approval to permanently eliminate teen and adult overdue fines.

At its April 26, 2021 meeting, the Board approved a revised Membership, Circulation and Collection Use Policy that reflects the permanent elimination of all overdue fines on material borrowed on children's library cards and the write-off of outstanding overdue and holds-not-picked-up fines on children's cards with an estimated value of \$150,000.

<https://www.torontopubliclibrary.ca/content/about-the-library/pdfs/board/meetings/2021/apr26/11-membership-circulation-and-collection-use-policy-update-combined.pdf>

ISSUE BACKGROUND

Overdue fines were initially introduced to encourage customers to return materials on time, but increasingly fines have become a barrier to the use of library services, especially for vulnerable communities. TPL data from Q1-2020 shows that overdue fines disproportionately impact racialized and low-income communities in Toronto; of the 50,000 children who have outstanding fines, 25,000 (50%) of children with fines are from low-income and racialized areas.

The increasing availability of electronic materials, which do not accumulate fines, combined with more tools available for customers to manage their borrowings, has led to a natural decline in the amount of fines being collected by TPL. The Library's fines dropped 22% from 2015 to 2019, when revenue from fines constituted 1.2% of TPL's annual operating budget. The trend of customers using more digital content has strengthened, as one of the ongoing impacts of COVID-19 is an accelerated drop in the circulation of physical material and a corresponding rise in the use of digital content.

As part of TPL's COVID-19 pandemic response, no overdue fines have been charged on any cardholder since March 2020 and blocks on library cards due to overdue fines have been lifted. These measures were taken to ensure that Torontonians have continued access to library materials, including resources to support remote learning and homeschooling. By moving to eliminate overdue fines permanently, TPL will join hundreds of library systems across North America that have already gone fine-free.

COMMENTS

As part of TPL's 2021 operating budget submission, TPL identified a phased budget enhancement request for the elimination of overdue fines; eliminating overdue fines on material borrowed on children's library cards in 2021 and eliminating overdue fines on material borrowed on teen and adult library cards in 2022.

The TPL Foundation fundraised \$300,000 in 2021 to partially offset the \$600,000 budget pressure related to eliminating children's fines and a further \$300,000 to partially offset the 2022 budget pressure related to eliminating teen and adult overdue fines.

Elimination of overdue fines for children's cards update

In February 2021, City Council approved TPL's operating budget which included funding for the elimination of children's overdue fines. In March, a joint announcement was made by Mayor John Tory and Board Chair Sue Graham-Nutter announcing the elimination of overdue fines for children and plans to phase out teen and adult fines in 2022: <https://www.youtube.com/user/thecityoftoronto/featured>. At the April 2021 Board meeting, the revised Membership, Circulation and Collection Use Policy reflecting the permanent elimination of all overdue fines on material borrowed on children's library cards was approved.

TPL staff have since been working on the elimination of overdue fines for children. TPL plans to purge existing bills on children's cards related to overdue fines and holds-not-picked-up at the end of September 2021. TPL data for 2019 indicated that 5% of children from neighbourhood improvement areas and high-priority neighbourhoods had blocked cards due to fines, compared to 1% of children residing in other areas. Approximately 1,500 children's cards will be unblocked as a result of this purge, and 30,000 child customers will have their past overdue fines waived. F200

A communication plan for the elimination of children's fines is being developed. It includes all TPL's in-branch and digital channels (website, email and social media) to ensure that all TPL customers with children's cards that were previously blocked or had outstanding fines are aware of these changes. A targeted, multi-channel children's membership campaign will follow, promoting the elimination of children's fines as an incentive to sign up for a library card for new customers or return to the library for lapsed customers.

Plan for the elimination of overdue fines for teen and adult cards

Overdue fines were initially introduced to encourage customers to return materials on time; however, the evidence is unclear whether these fines achieve the intended result. As described in San Francisco Public Library and the Office of Treasurer and Tax Collector's fine-free report, "Overdue fines do not turn irresponsible patrons into responsible ones, they only distinguish between patrons who can afford to pay for the common mistake of late returns and those who cannot."¹ Particularly in today's challenging times, libraries need to remove barriers and connect Torontonians to the information and resources they need – for school, lifelong learning, culture and entertainment.

Currently, no overdue fines are being charged, and blocks on library cards due to overdue fines have been lifted as part of TPL's COVID-19 pandemic response. These measures were taken to ensure Torontonians have continued access to collections, including resources to support remote learning and homeschooling. Eliminating overdue fines will ensure that everyone has equitable access to library resources and services.

TPL data from Q1-2020 shows that of the 147,000 teens and adults who have outstanding fines, 46,000 (46%) of teens and adults with fines are from low-income and racialized areas. In addition, 27,000 (18%) of teens and adults with fines were blocked from borrowing physical items or accessing digital content. This results in a disproportionate impact on racialized and low-income Torontonians with fines on their library cards when compared to general demographic population data.

By moving to eliminate all overdue fines permanently, TPL will join hundreds of library systems across North America that have already gone fine-free. In Canada alone, there are 189 fine-free library systems, including 27 in Ontario and nine in the GTA, and these numbers are increasing. A full list of Canadian libraries that have eliminated overdue fines can be found here: <https://librarianship.ca/features/fine-free-libraries-in-canada/>.

Other Library systems have successfully implemented a fine-free approach and have seen a positive impact. On July 01, 2020, Calgary Public Library moved to a permanent fine-free model and noted an upwards trend in new members and physical visits to the library. The number of first-time checkouts also increased by 55%, and 44% of

¹ Cisneros, J. (2019). LONG OVERDUE: Eliminating Fines on Overdue Materials to Improve Access to San Francisco Public Library, p. 27. *The Office of the Treasurer and Tax Collector*. Retrieved September 15, 2021 from: <https://sfpl.org/uploads/files/pdfs/commission/Fine-Free-Report011719.pdf>

previously blocked members returned to the library within the first year. Salt Lake City Public Library has been fine-free since July 2017 and also experienced an 11% increase in the number of monthly borrowers and a 14% increase in the number of items borrowed in the year after they eliminated fines.

While TPL expects similar favourable reactions to the elimination of overdue fines, the COVID-19 pandemic is expected to continue negatively impacting TPL programming, visits, borrowing and cardholders. As no overdue fines have been charged since March 2020, this provides an opportunity for TPL to eliminate overdue fines for all members, both from an equity standpoint and as part of the City's COVID-19 recovery efforts. TPL leads North America in the public's use of its resources, and it should also be seen as a leader in its support of initiatives that combat poverty and support equity.

Risk and Mitigation Strategies

Research cited by the American Library Association suggests there is little evidence to support the idea that fines encourage the prompt return of materials as intended. In fact, libraries that eliminated fines report the same or an increased return rate for materials. Calgary Public Library reported that the ratio of first-time checkouts to materials returns remained consistent when compared to pre-fines elimination and post-fines elimination, and Salt Lake City Public Library saw its late-return rate drop from 9% to 4% after eliminating fines. Chicago Public Library saw a 240% increase in overdue material returns in the month after going fine-free. Some customers do not know fines are capped and are, therefore, afraid to return long-overdue items. Again, this disproportionately impacts vulnerable communities such as newcomers. Another finding is that eliminating fines increases use, encourages membership renewals and attracts new customers.

TPL will take learnings from other libraries and develop strategies and incentives to ensure the timely return of materials.

CONCLUSION

TPL is the world's busiest public library system and is a vital community hub used by nearly 70% of Torontonians. It is a critical resource for the city's most vulnerable residents who rely on TPL's welcoming spaces, computers, Wi-Fi access and valuable online tools – particularly now during the COVID-19 recovery efforts. Once branches fully reopen and all services are reinstated, TPL will play an even more critical role in connecting people to resources as the economic and social impacts of COVID-19 will continue. These impacts will likely be more significant for those from racialized and low-income communities. The elimination of overdue fines for all customers will be a vital change as Torontonians continue to use their library, now with reduced barriers.

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SIGNATURE

Vickery Bowles
City Librarian



elimination of overdue fines update

Toronto Public Library Board
September 27, 2021



purpose

1. Provide an overview and timeline
2. Update on children's fines elimination
3. Research on fine-free libraries
4. Moving forward with teen and adult fines elimination
5. Next steps

overview and timeline (2021)

FEB

- TPL's 2021 Operating Budget Approved by City Council - Elimination of children's overdue fines

MAR

- Joint announcement by Mayor John Tory and Board Chair Sue Graham-Nutter

APR

- Library Board approves the elimination of overdue fines for materials borrowed on a child's card

JUL

- Environmental scan and configuration changes to TPL's borrowing system

SEPT

- Purge existing bills on children cards related to overdue fines and communication plan rollout

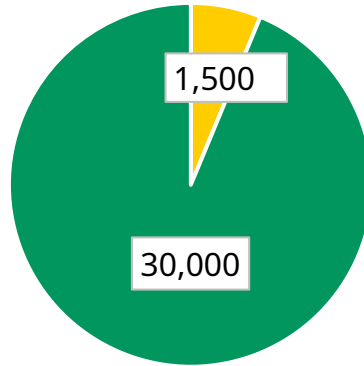
OCT

- TPL's 2022 Operating Budget submission - Elimination of teen and adult overdue fines

elimination of children's fines

TPL data for 2019 indicated that **5% of children from neighbourhood improvement areas had blocked cards due to fines** compared to **1%** of children residing in other areas.

At the end of September 2021, TPL plans to purge existing bills on children's cards:



50% of children are from low-income and racialized areas

■ # of child cards that will be permanently unblocked

■ # of child cards that will have their fines waived

environmental scan

Calgary Public Library

55% increase in first-time checkouts

44% previously blocked customers came back

San Francisco Public Library

3,460 hours of staff time freed up annually

\$64,000-\$191,000 in staff capacity freed up annually

Chicago Public Library

240% increase in overdue material returned

7% increase in items checked out

Salt Lake City Public Library

11% increase in number of monthly borrowers

14% increase in number of items borrowed

fine-free libraries

189

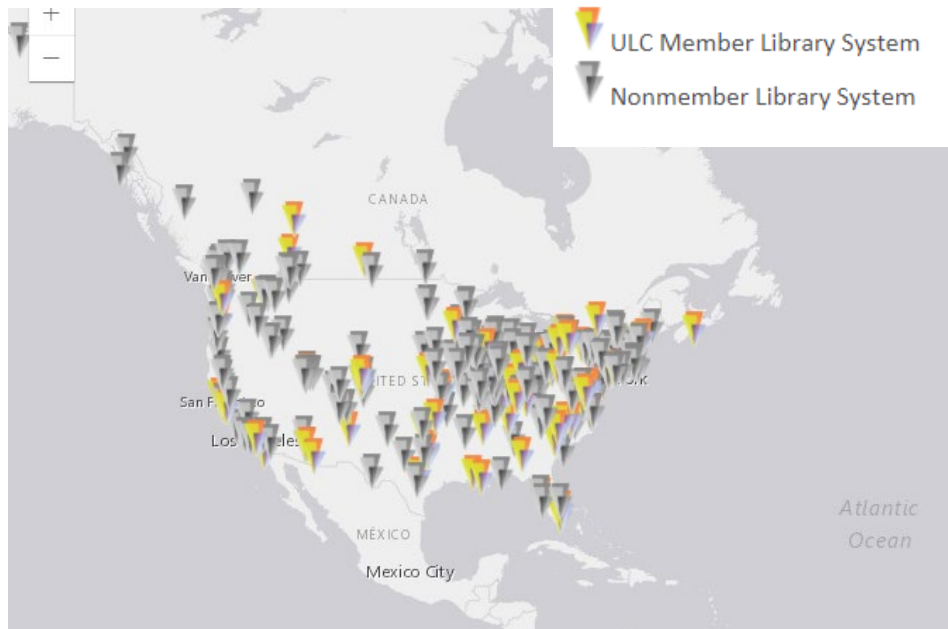
**fine-free
libraries in
North America**

27

**fine-free libraries
in Ontario**

9

**fine-free libraries
in Greater
Toronto Area**



Source: Urban Libraries Council. "Fine Free Map".
<https://www.urbanlibraries.org/resources/fine-free-map>

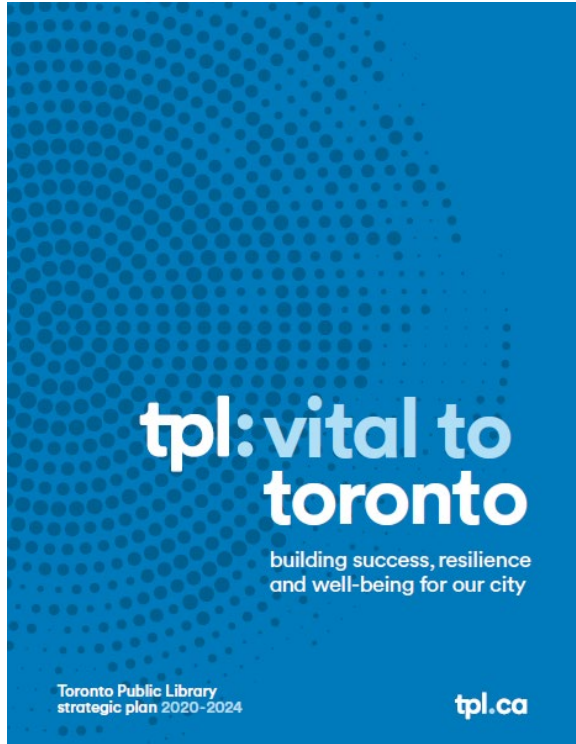
elimination of teen and adult fines

"Affordability. Housing, childcare, food, services. This city is becoming an unaffordable city. With higher prices, the library is the last free place in the city to enjoy."

2020-2024 TPL Strategic Plan Public Survey (April 15 to May 12, 2019)

- **Reduces library access and disproportionately affects low-income and racialized communities** which might benefit the most from the library's resources, services and programs
- Libraries that have gone fine-free **have not experienced increases in late returns**
- Fine-free library systems have seen a positive impact, including **increase use, membership renewals and new customers**


alignment with Strategic Plan



- The COVID-19 pandemic has **disproportionately affected equity-deserving groups and vulnerable populations**
- **Greater urgency** to address the growing inequalities
- **Continue to address inequities and barriers, increase inclusion and access** to library services



risk and mitigation strategies

- 
- **Take learnings from other library systems** that have eliminated overdue fines
 - **Develop strategies and incentives** to ensure the timely return of materials

next steps

**2022 Operating Budget submission to City Council
for the elimination of teen and adult fines**

October 2021

2022 Operating Budget approval from City Council

Q1 2022

**Update TPL's Membership, Circulation and
Collection Use Policy**

Q1 2022



questions & comments