

3d Multi-Operator Smart Ticketing

o Purpose of Report

The purpose of this report is to inform the Board of progress in terms of Smart ticketing and to appraise members of proposals to convert the Grasshopper multi-operator ticket from a paper-based bus pass to a smart product.

o Background

It has long been recognised that ease of purchasing tickets and the ability to use a transferable ticket can overcome a significant obstacle in encouraging more use of public transport. Schemes such as London's Oyster Card and Hong Kong Octopus are now familiar to travellers when they visit other cities or use transport abroad, but there are limited schemes in Scotland (Glasgow Subway and some operator-specific schemes do exist).

The Minister for Transport & Islands has indicated in the National Transport Strategy refresh that he would wish to grow bus patronage and that smart and integrated ticketing is a priority in helping to achieve this. Transport Scotland has encouraged discussions between operators and local authorities and the development of pilot schemes, and is supportive of the pilot in the north east. These pilots are being encouraged as an interim measure, but with the ultimate aim of a cross-Scotland, all-operator, all-mode scheme.

A presentation for Regional Transport Partnership Lead Officers from the Commercial Director at Transport Scotland highlighted the issues and challenges regarding Smart ticketing. In particular, there are challenges regarding "back-office" support, income reallocation and questions over whether schemes should be public sector-led or industry-led. A decision from Transport Scotland is expected in the next few months in regard to operational aspects of the national scheme.

As part of its franchise commitments, Abellio are obliged to introduce a smart ticketing offer for rail travel across Scotland. Members may be aware that all stations in the north east have now been equipped with card readers and a rail-based smart ticket is likely to be launched soon.

o Opportunities in the North East

There are opportunities to purchase smart tickets in Aberdeen City and Shire now operating. First Bus provide an mTicket, which can be used on a smart phone and is proving popular in Aberdeen; StagecoachSmart is an electronic card that stores megarider tickets for use on Stagecoach buses across most of the UK and offers a more convenient way for travel.

At the end of 2013, all bus operators providing local bus services in the north-east signed up to the Aberdeen City and Aberdeenshire Multi-Operator Bus-Only Travelcard Agreement with a view to introducing a range of passes branded as Grasshopper. The Agreement is overseen by a Management Committee comprising representatives of First, Stagecoach, other bus operators, Aberdeenshire Council and Aberdeen City Council. The Agreement is administered by Aberdeenshire Council's Public Transport Unit which has responsibility for

general administration, reimbursing operators for fares revenue and the co-ordination of marketing.

The initial Grasshopper Passes were launched on 20 December 2013 and after a period of steady growth, the range of Day and Weekly tickets was extended on 1 June 2015 to cover the whole of Aberdeen and Aberdeenshire. Further details of participating operators, ticket zones and prices are available on the website: <http://www.grasshopperpass.com/>.

All Grasshopper tickets are currently sold on buses with the driver issuing a paper ticket from the on-bus electronic ticket machine (ETM). First and Stagecoach each operate their own ETM hardware and software systems whilst Aberdeenshire Council operates an ETM back-office for the other bus operators in Aberdeen and Aberdeenshire.

o **Grasshopper Smart Ticketing**

The Management Committee has agreed that all paper-based tickets be replaced with smart products. Smart ticketing will assist in meeting the objectives of the Aberdeen City and Shire Fares and Ticketing Strategy:

<https://www.aberdeenshire.gov.uk/media/7966/faresandticketingstrategystrategyforaberdeen-cityandshire.pdf> and Transport Scotland's Delivery Strategy for Smart and Integrated Ticketing:
<http://www.transport.gov.scot/report/delivery-strategy-%E2%80%93-smart-integrated-ticketing-3161>

In order to deliver multi-operator smart ticketing in the north east, a project team has been established involving First, Stagecoach, Aberdeenshire Council and Transport Scotland. The team will establish the technical specifications and the business rules to ensure that all buses can issue, accept and top-up Grasshopper tickets. An outline plan and workstreams is being developed with a target implementation date for smart Grasshopper tickets of 1 August 2016.

The project will require the upgrading and/or development of the current ETM back-offices and associated infrastructure to ensure they meet the latest requirements of ITSO <https://www.itso.org.uk/about-us/> which sets the standards required for the inter-operability of ticketing systems. In the case of Aberdeenshire Council, the existing Almex Optima and Mobile ticketing system do not meet the latest ITSO certification requirement and it is estimated that a replacement system will cost up to £150,000 to procure. A bid has therefore been submitted to the Nestrans capital fund for £100,000 (this has been included in the draft budget for 2016/17), with other sources of funding also being investigated.

Recommendation

It is recommended that the Board note the work being undertaken to develop multi-operator smart ticketing in Aberdeen and Aberdeenshire.

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