

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP**24 JUNE 2008****CONSULTATION ON INTEGRATED TICKETING STRATEGY FOR SCOTLAND****REPORT BY DIRECTOR**

This report seeks the Partnership's approval of a proposed response to Transport Scotland's consultation on their publication Integrated Ticketing: A Strategy for Scotland.

1 RECOMMENDATION

- 1.1 That the Partnership approves the proposed response to Transport Scotland's consultation on Integrated Ticketing: A Strategy for Scotland, as detailed in the Appendix.

2 BACKGROUND

- 2.1 Transport Scotland has published a consultation paper on Integrated Ticketing: A Strategy for Scotland. It poses 23 questions with a closing date for comments of 30 June 2008.
- 2.2 The consultation paper is available for inspection and downloading on Transport Scotland's website at:-
<http://www.transportscotland.gov.uk/reports/consultation-papers-and-responses/j9651-01.htm>

3 DISCUSSION

- 3.1 The consultation paper is brief and intends to set out options for a framework to introduce a range of new smartcard-based integrated ticketing products across Scotland on buses, trains and ferries. It lists the key challenges in terms of costs, pricing, marketing and administration. Transport Scotland comments that the strategy can only be achieved through partnership working between the Scottish Government, transport operators, local authorities and RTPs.
- 3.2 The paper outlines the policy context for integrated ticketing and comments that many elements of delivery are already in place. As part of the Concessionary Travel Scheme smart card-enabled ticket machines will be fitted to all buses in Scotland by the end of March 2009. The back office system for concession payments provides a basis for managing the revenue allocation and associated processes to support integrated ticketing.
- 3.3 The paper identifies issues with regard to the public, policy makers, operators, planners and managers, as well as practical issues. It proposes objectives for the development of integrated ticketing as follows:

- A national framework for integrated ticketing must enable us to develop methods of payment for travel which make it easy to travel by any mode of public transport
- Integrated ticketing should be a key element of marketing the transport network to people who may not otherwise use it
- Any integrated ticketing products should be affordable even if this raises issues whilst markets are being grown
- The integrated ticketing system should be simple and cost effective to administer for all stakeholders
- The integrated ticketing strategy should be multimodal, encompassing at the very least bus, coach, rail and ferry.

3.4 Transport Scotland has identified three “integrated ticketing packages” that can be considered, these are;

- Stored value/pay as you go (i.e. an e-purse)
- Area-based period tickets (e.g. Strathclyde’s Zonocard)
- Local travel add-ons to long distance tickets (Plus Bus or through tickets)

3.5 A draft response addressing Transport Scotland’s questions forms the Appendix. The development of integrated ticketing is included in the Regional Transport Strategy and therefore TACTRAN’s proposed reply is broadly supportive of the principle of developing an integrated ticketing strategy for Scotland.

4 CONSULTATIONS

4.1 The draft response which forms the Appendix is the subject of ongoing consultation with the TACTRAN Public Transport Officers Liaison Group and the Chief Officers Liaison Group.

5 RESOURCE IMPLICATIONS

5.1 There are no resource implications arising directly from this report.

Eric Guthrie
Director

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NOTE

The following background paper, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) was relied on to a material extent in preparing the above Report; (list paper concerned)
Integrated Ticketing: A Strategy for Scotland

DRAFT RESPONSE TO CONSULTATION QUESTIONS – INTEGRATED TICKETING: A STRATEGY FOR SCOTLAND

I refer to the above consultation and submit the following response on behalf of the Tayside and Central Scotland Transport Partnership.

Question 1 Is there an emerging consensus that integrated ticketing is an integral part of the development of our public transport system?

The consultation document indicates that this is the case. Tactran's RTS, as re-submitted to the Scottish Government for approval on 2 May 2008, fully supports the development of integrated ticketing. The RTS states that Tactran will seek to improve community connectivity and accessibility by: "working in partnership with Councils, operators, the Scottish Government and Transport Scotland to improve the quality and integration of our public transport services across the region, including ... integrated ticketing".

Integrated ticketing has been developed elsewhere with considerable success. The Netherlands intends to implement the "OV chipkaart" digital transport pass across all bus, tram, Metro and train services by the end of 2008. In London the Oyster Card scheme is used to pay for two-thirds of bus journeys. This has considerable benefits in reducing passenger boarding times, helping to speed up journeys and improve reliability. It assists in promoting travel planning; for example, KPMG offers Oyster Cards to all staff based in or visiting London. It is being taken forward with Barclays Bank as a combined credit card/Oyster Card. This indicates the potential for combining an integrated travel card with citizens' cards being promoted by local authorities in Scotland, including Dundee in the TACTRAN area.

Question 2 Which level (and why) – regional or national – is the most appropriate to set the policy and provide the framework for implementation?

It is considered that the most appropriate level to set the policy is national with the framework for implementation provided either nationally or regionally. A regionally based framework would be feasible as evidenced by the two existing integrated ticketing schemes established by SPT and SEStran. The RTP boundaries also coincide largely with other bodies and initiatives that have an impact on travel demands needs, such as the Health Boards and city-region based Strategic Planning Development Authorities. The nature of the regional ticketing systems will differ particularly with regard to offering ticketing on ferry services, these being present in the HITRANS, SPT and Zettrans areas but absent elsewhere in Scotland.

Question 3 Given the need for transparency and possible constraints from financial regulations who is best placed to deliver the back office (administrative) element of integrated ticketing?

- **Transport Scotland – (utilising the back office already in use for managing the national concessionary travel schemes)?**
- **Or is it better led by a bank or some form of joint venture or independent company?**

The consultation document comments that it will be costly to establish a new back office system. It therefore would be more cost effective to make use of Transport Scotland's existing back office system. However, this will have to be acceptable to

the transport operators and to scrutiny of its operations by all the relevant partners to ensure that the highest levels of efficiency are maintained.

Question 4 Should we seek to develop a brand identity for integrated tickets or for interlinked transport (or both)?

In line with the RTS TACTRAN would suggest that both should be developed. However, this will have to be acceptable to all partners and in a deregulated bus industry a brand identity may be less palatable than integrated tickets.

Question 5 To what extent do you believe the Scottish public transport network is currently integrated?

- **Not at all**
- **Only partly**
- **Fully integrated**

There is only limited integration of the Scottish public transport network at present. Inevitably this reflects the different circumstances applying to each of the modes, principally that coach services are totally deregulated and operated by the private sector, buses are largely deregulated with local authority control of socially necessary supported services, while the railways and ferries operate as franchises with little or no within mode competition. The current experience also reflects the country's geography in that infrequently operated services in sparsely populated areas are more likely to offer connections and possibly also through ticketing. Some aspects such as inter-city travel or short distance travel to or within urban areas are subject to competition between coach and train or bus and train and therefore there is little integration here. Nevertheless, there is considerable scope for promoting integration in terms of ticketing, publicity and infrastructure (interchanges, etc) to enable public transport to be seen as a realistic attractive option to private car travel. These form a key part of TACTRAN's RTS.

Question 6 To achieve meaningful impact of any new integrated ticketing initiatives do we also need to standardise our approach to public transport information and infrastructure provision at a national level?

There is already a significant degree of standardisation. In terms of public transport information, basic information sources are held within common formats and access is available via websites such as Traveline Scotland, while railway stations fall within the control of a single owner, Network Rail, and principally one operator, First ScotRail. Initiatives in the railway industry, such as Access for All seek to achieve minimum standards at stations, in this case for accessibility, albeit the time scales involved will be lengthy. Further standardisation at a national level may be difficult to achieve bearing in mind the different geographical characteristics of areas of Scotland and, in terms of infrastructure, the varying levels of funding available to RTPs and local authorities to provide or maintain bus-related infrastructure, however, it should be feasible to establish minimum standards for application across the country.

Question 7 Do you agree with the issues identified?

The issues are correctly identified. A further factor with regard to the public is undoubtedly to offer a ticketing scheme that is comprehensive and easily accessible

and does not exclude some bus or train operators as is the case with most existing schemes.

Question 8 How important do you consider integrated ticketing to be in terms of all the things needing to be done to increase public transport use?

Integrated ticketing is an important part of an overall package that can make public transport more attractive to car users, especially as it can (and should) reduce the perceived and real cost of public transport. However, it has to be accepted that basic aspects, in particular ensuring that services operate reliably, the minimum quality of vehicles operated and adequate seating are equally important.

Question 9 Should we simply integrate and further promote existing schemes?

It should be possible to further promote and possibly integrate existing schemes where they are seen to be working effectively. However, careful consideration will be needed in expanding existing schemes or developing alternatives in the many parts of Scotland, including part of the Tactran area, that have no integrated ticketing schemes or at most only single mode and single operator based ticketing.

Question 10 Which of the issues do you think is the most important?

All the issues are important but ultimately the ticketing scheme has to be attractive to the public and satisfy their issues in providing value for money and ease of purchase and use.

Question 11 Which of the issues above do you think is the least important?

All the stakeholders issues need to be considered and where possible addressed and therefore it would not be helpful to identify a least important issue.

Question 12 Do you agree with the objectives?

The objectives are reasonable. However, the multimodal aspect of the strategy must include consideration of Demand Responsive Transport as this can serve areas where conventional public transport does not operate, or where DRT increasingly is replacing bus services at times of day when loadings are lightest or where connections are provided into main corridor services. DRT and community-based local transport schemes are equally and increasingly important forms of flexible public transport service delivery which integrated ticketing initiatives must include, which is considered to be an important aspect which integrated ticketing initiatives should address.

Question 13 Which objective would you place first?

The primary objectives should be to make ticketing attractive to the public through making it easy and affordable to travel.

Question 14 Which objective would you place last?

All the objectives are equally important though clearly attraction to the public must be paramount.

Question 15 Do you feel any of the objectives are unachievable?

All the objectives are achievable though perhaps the hardest is making the ticketing seem affordable when many car users only perceive the costs of motoring to comprise petrol and parking costs.

Question 16 Which of these three forms of integrated ticketing appeals to you most?

Stored value tickets offer the greatest potential for combination with other forms of e-currency, including credit cards and citizens cards. However, a more practical approach may be to build on the existing schemes which are area based and retailed at fixed sums for specified periods, and gradually transfer the availability to become value based tickets for use in specified areas or zones. This would allow issues such as travel from or between unstaffed railway stations to be adequately addressed. Local travel add-ons to long distance tickets are currently available but are restrictive and are not as easy to market or to use.

Question 17 How important are fare reductions in establishing integrated ticketing?

Fare reductions or discounts are important in establishing integrated ticketing as they address one of the primary determinants of modal choice, the cost of travel.

Question 18 What other options would you like to see included in the ticketing portfolio

At this stage the options included are satisfactory.

Question 19 Are all of these actions achievable?

The actions are achievable, as experienced in London, Netherlands, etc, though the difficulties in working within a less regulated market will present different challenges to be addressed.

Question 20 Is the strategy likely to provide value for money?

Experience in London shows that it should be possible to provide value for money so long as all benefits are considered e.g. reduced bus operating costs or achievement of greater efficiencies in operation.

Question 21 What role might the local authorities or Regional Transport Partnerships play in the delivery and funding of this strategy?

The local authorities and RTPs can play a significant role in the delivery of the strategy through links with local operators and providing an understanding and appreciation of the characteristics of their areas. Additional, dedicated funding will be required to support implementation and development of the strategy, particularly for services and areas where smartcard enabled ticketing systems are still not present.

Question 22 Do operators feel this would create over-reliance on government funding?

The question as put can only be answered by operators though if the scheme is successful it should generate additional patronage and, therefore, revenue. As it will principally involve a transfer of the method of payment for travel, typically from on-bus or at-station fare collection to pre-purchase payment away from the bus stop or

railway station it is difficult to establish why this should be seen as creating reliance on government funding. This is unlike concessionary fares schemes where part of the fare is made up by payment from the Government. However, it will be incumbent on the Scottish Government to provide sufficient pump-priming funding to ensure that the scheme can generate sufficient modal shift to guarantee its long term viability.

Question 23 Given the likely costs involved, is integrated ticketing an objective worth pursuing?

As the consultation document has no indication of likely costs it is difficult to answer this question in an informed way. However, it is recognised in the National Transport Strategy that simple (integrated) ticketing is vital. This is supported by TACTRAN's RTS.

I trust that the above comments are of assistance.

Yours sincerely,

Eric Guthrie
Director