

**To: THE INFRASTRUCTURE, LAND AND ENVIRONMENT POLICY BOARD**

**On: 8 NOVEMBER 2017**

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**Report by: DIRECTOR OF ENVIRONMENT & COMMUNITIES**

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**Heading: CONSULTATION ON SMART TICKETING AND PAYMENT ON SCOTLAND'S PUBLIC TRANSPORT SYSTEM. CONSULTATION RESPONSE**

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## **1. Summary**

- 1.1 Scottish Government has issued a consultation to seek views on the development of a smart ticketing scheme across Scotland's public transport system. The closing date for submissions to the consultation is 5 December 2017.
  - 1.2 Smart ticketing is an important element of a modern public transport system and is increasingly prevalent in major cities and countries around the world.
  - 1.3 All public transport passengers in Scotland, whether regular users, occasional users or simply visitors to Scotland, should be able to enjoy the benefits of modern ticketing and payment technology. The belief is that this will help encourage modal shift onto public transport and contribute to growth in usage of Scotland's public transport services.
  - 1.4 In Scottish Government's opinion, a smartcard-based approach seems like the best way to achieve this – the infrastructure is largely in place, and it is proven, works with many transport modes and is secure. The technology continues to develop rapidly, and that is why identifying the appropriate approach to governance will be essential to ensure an orderly and planned migration between technologies, as well as overseeing the operation of, and participation in, key national and regional smart ticketing schemes.
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## 2 Recommendations

- 2.1 The Infrastructure, Land and Environment Policy Board approves the attached response by Renfrewshire Council to the Scottish Government's consultation on the development of a smart ticketing scheme across Scotland's public transport system.
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## 3 Background

- 3.1 Scottish Government has issued a consultation to seek views on the development of a smart ticketing scheme across Scotland's public transport system. The closing date for submissions to the consultation is 5 December 2017.
- 3.2 Smart ticketing is an important element of a modern public transport system and is increasingly prevalent in major cities and countries around the world
- 3.3 All public transport passengers in Scotland, whether regular users, occasional users or simply visitors to Scotland, should be able to enjoy the benefits of modern ticketing and payment technology. The belief is that this will help encourage modal shift onto public transport and contribute to growth in usage of Scotland's public transport services.
- 3.4 In Scottish Government's opinion, a smartcard-based approach seems like the best way to achieve this – the infrastructure is largely in place, and it is proven, works with many transport modes and is secure. The technology continues to develop rapidly, and that is why identifying the appropriate approach to governance will be essential to ensure an orderly and planned migration between technologies, as well as overseeing the operation of, and participation in, key national and regional smart ticketing schemes.
- 3.5 The Scottish Government intends to introduce an e-purse in Scotland and this can be defined as; the store of monetary value on a smartcard which can be used in the same way as cash to pay for travel.
- 3.6 The Transport Scotland Smart Ticketing Delivery Strategy, first published in October 2012 and now updated to help with the consultation, set out the vision "That all journeys on Scotland's bus, rail, ferry, subway and tram networks can be made using some form of smart ticketing or payment".
- 3.7 With that smart ticketing strategy in mind, delivery of the policy vision may include:
- A common smart ticketing system across Scotland, which enables both use by many transport modes and integration. The core system Scottish Government is currently seeking to have in place is the UK standard for smart ticketing (ITSO). It is proven as a concept and much of the necessary infrastructure is already in place across Scotland, particularly for bus, rail and subway.
  - ITSO smartcards being used where possible as the media for delivering smart ticketing with the saltirecard branding being visible on all cards

- Larger operators across all modes progressing their own smart ticketing and payment schemes, but on a common infrastructure platform or system. This should deliver a common or similar experience for passengers
- A national epurse scheme that all public transport operators participate in. All of Scotland's major public transport operators have committed to participate in the national epurse, and Transport Scotland's preference is that all operators, of all sizes, across all modes, participate in it. It is envisaged that the epurse will be launched during 2018.
- A series of regional multi operator smart ticketing schemes e.g. around Glasgow, Edinburgh, Aberdeen and Dundee that all relevant transport operators participate in.
- Appropriate governance arrangements to ensure that each scheme endeavours to offer a good passenger experience and, through time, as technology develops, there is an orderly migration path to new or alternative technologies for smart ticketing and payment.

#### **4 Proposals**

- 4.1 To have a consistent smart payment option available across Scotland and on all main public transport modes.
- 4.2 The scope of smart ticketing should – for now – be limited to local bus services in Scotland, scheduled rail journeys entirely within Scotland, foot passengers on scheduled ferry services entirely within Scotland, the Glasgow subway and the Edinburgh tram.
- 4.3 Provide a national epurse scheme that is accepted by bus, rail, ferry, tram and subway operators across Scotland.
- 4.4 Promote a number of regional multi operator, multi modal smart ticketing schemes, based on Scotland's main city regions.
- 4.5 Introduce new legislation that requires transport operators to participate in national and regional smart ticketing schemes.
- 4.6 Establish a single governance group so that the technology implemented across Scotland for smart ticketing schemes is controlled.

#### **5 Summary of Renfrewshire Council's response**

- 5.1 Renfrewshire Council is supportive of the introduction of a smart ticketing scheme across Scotland's transport network.

## **Implications of the Report**

1. **Financial** - None
2. **HR & Organisational Development** - None
3. **Community Planning**  
**Greener** – Proposals support the promotion and use of public transport.
4. **Legal** - None.
5. **Property/Assets** - None.
6. **Information Technology** - None
7. **Equality & Human Rights** - The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - None.
9. **Procurement** – None.
10. **Risk** – None.
11. **Privacy Impact** – None
12. **CoSLA Policy Position** – None

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## **List of Background Papers – none**

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## Appendix

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### Consultation Responses

#### Part 1 - Respondent Information Form

**PLEASE NOTE THIS FORM MUST BE RETURNED WITH YOUR RESPONSE.**

Are you responding as an individual or an organisation?

Individual

Organisation

Full name or organisation's name	RENFREWSHIRE COUNCIL
Phone number	0300 300 0300
Address	RENFREWSHIRE HOUSE COTTON STREET PAISLEY
Postcode	PA1 1BR
Email	ES@RENFREWSHIRE.GOV.UK

The Scottish Government would like your permission to publish your Consultation response. Please indicate your publishing preference:-

Publish response with name

Publish response only (anonymous)

Do not publish response

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this Consultation exercise?

Yes

No

## Part 2 – Questions on Key Issues

### Key issues on the future of smart ticketing in Scotland

<b>Transport modes and services to be included in national and regional smart ticketing schemes</b>	
<b>What is it?</b>	In addition to individual smart ticketing schemes currently offered by individual transport operators (eg Stagecoach Megarider, SPT Bramble product for Glasgow subway or Lothian Buses Ridacard), our intention is to ensure that there is a consistent smart payment option (epurse) available across all of Scotland and on all main public transport modes, and to ensure that regional multi-modal schemes are fully supported.
<b>What does it mean for me?</b>	It would mean that, when fully delivered, at least one smart ticketing or payment option was available for passengers – and would remain available - across all of the main public transport modes in Scotland.
<b>What will it cost or save?</b>	It is not intended that Scottish Government should interfere in or influence fares setting, so it will remain a decision (as now) for transport operators about how to price the various smart tickets and products on offer. In terms of the smart infrastructure, most of the elements required are already in place, and it is not envisaged that costs will be routinely passed on, directly or indirectly, to passengers. Transport Scotland will incur a modest cost – estimated at £100,000 per annum – in supporting the national epurse.
<b>What is the justification for claimed costs/savings?</b>	For the epurse, it is anticipated that this new national smart product will prove popular with passengers, as it has in many other countries.

**Question 1**

**Do you think our intention to have a consistent smart payment option available across Scotland and on all main public transport modes would promote use of public transport in Scotland?**

Yes  No

**Please explain your answer.**

This approach will provide a modern, flexible approach to travel that provides additional payment options, increasing customer convenience. Increasing convenience and better use of technology should assist increased use of public transport in Scotland.

**Transport modes and services to be included in national and regional smart ticketing schemes**

**What is it?**

As well as the obvious transport modes such as bus and rail, there are a number of other transport offerings that could conceivably be included in such smart ticketing schemes. Our intention is that, for now, our smart ticketing plans should be limited to local bus services in Scotland, scheduled rail journeys entirely within Scotland, foot passengers on scheduled ferry services entirely within Scotland, the Glasgow subway and the Edinburgh tram.

Other things such as air services, taxis, coach tours and heritage rail/tram/bus services, as well as peripheral offerings like car hire and cycle hire, and cars and freight vehicles on ferries, are proposed - for now – to be outside of scope.

**What does it mean for me?**

By focusing on a manageable number of services and modes, we believe that we will increase the likelihood that our plans can be delivered within a reasonable timescale.

**What will it cost or save?**

By focusing on modes that mostly have existing smart infrastructure, additional costs will be kept to a minimum.

**What is the justification for claimed costs/savings?**

As well as avoiding spending extra money on widening the scope of smart ticketing, it should also ensure a faster route to delivery.

## Question 2

**Do you agree that the scope of smart ticketing should – for now – be limited to the modes and services outlined above?**

Yes  No

**Please explain your answer.**

Focusing on the main transport options will increase the likely success of the project. This allows consumer confidence to build and develop a culture of smart payment.

## Scheme Compliance

**What is it?**

In addition to the provision of a national e-purse that is accepted by bus, rail, ferry, tram and subway operators across Scotland, we also envisage a number of regional multi operator, multi modal smart ticketing schemes, based on Scotland's main city regions. These regional schemes could be based on existing regional ticketing legislation provision within The Transport (Scotland) Act 2001.

There are a number of considerations ranging from defining the requirements to take part in national or regional smart ticketing schemes, monitoring and controlling compliance, through to whether and how to apply sanctions for non-compliance by operators – and, indeed, what these sanctions might look like.

**What does it mean for me?**

We think that the simpler and more consistent we can make these arrangements the more likely prospective passengers are likely to have confidence in the new schemes. Similarly, from an operator perspective, it will be clearer what is expected of them.

**What will it cost or save?**

In terms of the smart infrastructure, most of the elements required are already in place, and it is not envisaged that costs will be routinely passed on, directly or indirectly, to passengers. Transport Scotland will incur a modest cost – estimated at £100,000 per annum – in supporting the e-purse.

**What is the justification for claimed costs/savings?**

For the e-purse, it is anticipated that this new national smart product will prove popular with passengers, as it has in many other countries.



**Question 3 - epurse**

<b>a) Are you in favour of a clearly defined national epurse scheme??</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>b) Should all relevant bus, rail, ferry, tram and subway operators be expected to participate in a national epurse scheme?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>c) Should participation in a national epurse scheme be monitored and controlled?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>d) Should sanctions be imposed for non-compliance in a national epurse scheme?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Please explain your answers.</b> <ul style="list-style-type: none"><li>• Will ensure consistency for both customers and operators</li><li>• Easier to understand for the customers</li><li>• Would be more convenient if all operators participated</li><li>• It would be important to understand why an operator was non-compliant and encourage participation and support to introduce</li></ul>	

**Question 4**

<b>a) Are you in favour of a clearly defined multi-modal, multi operator regional smart ticketing scheme?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>b) Should all relevant bus, rail, ferry, tram and subway operators be expected to participate in a multi- modal, multi operator regional smart ticketing scheme?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>c) Should participation in a multi- modal, multi operator regional smart ticketing scheme be monitored and controlled?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>d) Should sanctions be imposed for non-compliance in a multi-modal, multi operator regional smart ticketing scheme?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**Please explain your answers.**

This approach provides consistency, easier to understand and build consumer confidence.

Operators large and small may find the costs and resourcing of the technology a barrier and should be supported to participate before any sanctions are looked at.

Consideration should also be given to use of established payment methods and technologies such as readers of contactless debit cards and phone payment technology, making use of what people already use for other payment purposes.

**Legislation vs voluntary participation or other means of ensuring participation in smart ticketing schemes**

<b>What is it?</b>	<p>New legislation would, on the face of it, be a clear cut and attractive means of specifying what is expected of operators in respect of participation in the national and regional smart ticketing schemes, and ensuring they have available the appropriate smart ticketing infrastructure.</p> <p>However, for example, a combination of encouraging voluntary participation, making – for bus – provision of appropriate ticketing equipment a condition of their service registration, or a requirement of the Bus Service Operator Grant might be considered an effective alternative.</p>
<b>What does it mean for me?</b>	<p>We think that the simpler and more consistent we can make these arrangements the more likely prospective passengers are likely to have confidence in the new schemes. Similarly, from an operator perspective, it will be clearer what is expected of them.</p>
<b>What will it cost or save?</b>	<p>For those operators – typically a few smaller bus operators and the Scottish ferry industry - who have still to invest in smart ticketing equipment there will be some costs. A new bus smart enabled ticket machine might cost £3,000.</p>
<b>What is the justification for claimed costs/savings?</b>	<p>Most operators have already invested in, or have plans to invest in, appropriate ticketing equipment, so the cost of achieving full infrastructure provision across Scotland is already largely addressed.</p>

**Question 5**

**Are you in favour of new legislation that requires transport operators to participate in national and regional smart ticketing schemes?**

Yes  No

**Please explain your answer.**

For smart ticketing to be a success it is important there is a universal and consistent system for all consumers to understand and use. Therefore a mechanism requires to be created to allow that to happen, legislation would be one such mechanism to ensure a comprehensive service all users can access on public transport.

**Governance of smart ticketing in Scotland**

**What is it?**

A recurring theme in this consultation document is that to deliver interoperable smart ticketing requires a common and proven infrastructure to be in place. Currently that is ITSO, the interoperable smartcard standard in the UK. However, alternative technologies are at various stages of being available and proven. At some point in the future the more progressive transport operators will wish to adopt one or more of these alternatives, while their passengers may increasingly expect to see greater use of, for example, mobile phones and contactless bank cards.

Transport operators have already invested significantly in smart ticketing infrastructure and, understandably, any shift to a newer technology – a further outlay for operators – needs to be carefully planned for, to ensure that systems remain fully interoperable and consistent with passenger expectations.

It therefore seems important that public transport operators should play some role in decision making, or at least advising, moving forward, probably working in partnership with Scottish Ministers and other public bodies. The best way of approaching governance of both smart ticketing infrastructure and national and regional smart ticketing schemes is therefore a key consideration.

**What does it mean for me?**

From a passenger perspective an orderly and planned migration to newer technologies, as these emerge, will ensure that all of the benefits of smart ticketing and payment are retained, and remain easy to use and understand.

From an operator perspective, investment decisions can be planned for and, collectively, a migration to newer technology platforms can be implemented in such a way that passengers are both able to benefit from technology advances and remain confident and informed about the integrity of the smart offering.

It seems essential that governance arrangements are in place to oversee all of this, and that these arrangements are effective as well as – as far as possible – establishing, representing and implementing the consensus view of transport operators in Scotland, regardless of mode or size.

<b>What will it cost or save?</b>	It is not envisaged that governance arrangements will place any burden on costs for either the passenger, the public purse or for operators.
<b>What is the justification for claimed costs/savings?</b>	No costs to consider

Question 6	
<b>To ensure delivery of a consistent approach to meet the expectations of passengers now and in the future, should we establish a single governance group so that the technology implemented across Scotland for smart ticketing schemes is controlled?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Should such a governance group be established formally and supported by legislation?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Should such a governance group have a role in advising on development, implementation or administration of smart ticketing schemes?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Are there any other areas that a governance group should have a role in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<p><b>Please explain your answers.</b></p> <p>Engagement with key stakeholders and involvement of transport providers is essential to ensure the success of the project.</p>	

Are there any other issues you wish to raise which are not covered above?
The Scottish Government welcomes any further comments and suggestions on smart ticketing schemes or governance, and how these might be improved or made more sustainable.

## Question 7

**Do you have any other comments about any of the issues raised in this consultation?**

Yes  No

**If so, please use the box below to provide details**

Mechanisms are put in place to enable customers to retrieve their smart ticketing account on public transport modes without financial penalties when smart ticketing devices are not available.

### Part 3 - Assessing impact

#### Equality

1 In considering possible changes to the delivery of smart ticketing in Scotland the public sector equality duty requires the Scottish Government to pay due regard to the need to:

- eliminate discrimination, victimisation, harassment or other unlawful conduct that is prohibited under the Equality Act 2010;
- advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people who share a relevant protected characteristic.

1.1 These three requirements apply across the 'protected characteristics' of:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion and belief; and
- sex and sexual orientation.

1.2 At this early stage it is difficult to determine whether significant effects are likely to arise and the aim of the Scottish Government is to use this Consultation process as a means to fully explore the likely equality effects, including the impact on children and young people.

1.3 Once completed the Scottish Government intends to determine, using the consultation process, any actions needed to meet its statutory obligations. Your comments received will be used to complete a full Equality Impact Assessment (EQIA) to determine if any further work in this area is needed.

**Question – Equality Impacts**

Are there any likely impacts the proposals contained within this Consultation may have on particular groups of people, with reference to the ‘protected characteristics’ listed above? Please be as specific as possible.

**Question – Children and young people**

Do you think the proposals contained within this Consultation may have any additional implications on the safety of children and young people?

None

Business and Regulation

1.4 A Business and Regulatory Impact Assessment (BRIA) will analyse whether the policy is likely to increase or reduce the costs and burdens placed on businesses, the public sector and voluntary and community organisations.

**Question – Business Impacts**

Do you think the proposals contained in this Consultation are likely to increase or reduce the costs and burdens placed on any sector? Please be as specific as possible.

None

Privacy

1.5 A full Privacy Impact Assessment (PIA) will be conducted to ascertain whether our proposals on delivering a consistent approach may have an impact on the privacy of individuals.

1.6 At this early stage it is difficult to determine whether significant privacy effects are likely to arise and the aim of the Scottish Government is to use this Consultation process as a means to fully explore the likely privacy effects.

**Question – Privacy Impacts**

Are there any likely impacts the proposals contained in this Consultation may have upon the privacy of individuals? Please be as specific as possible

NO