pteg
the voice of urban transport

Our Vision for **Smart Ticketing** in the City Regions

Who we are

pteg **represents the six strategic public sector transport bodies that serve eleven million people in the six largest city regions outside London. We are also a wider professional network for Britain's largest urban transport authorities.**

Why go smart?

Ticketing by smart media – like smartcards, mobile phones and bankcards – has many advantages over traditional paper ticketing.

Makes public transport easier and more convenient for users and promotes greater use of public transport networks.

Improves journey times through speeding up boarding times on buses and access to stations.

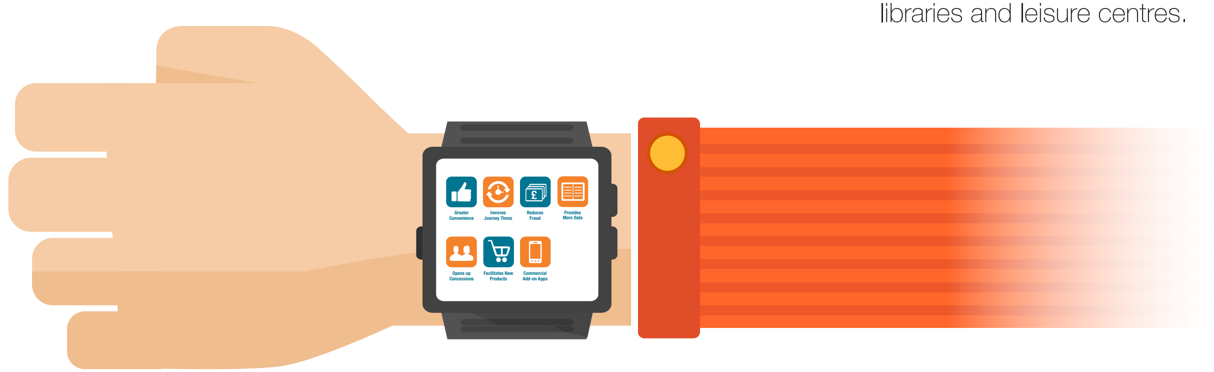
Reduces fraud and administrative costs as it is harder to cheat a smartcard system than a paper-based system, and automation of the administration is easier to achieve.

Provides more – and more reliable and timely – data about the journeys people are making. This in turn informs better decision making about the planning of services and revenue apportionment.

Opens up further options to target concessions in a more sophisticated, non-stigmatising way at a wider variety of excluded and low income groups.

Facilitates new products, such as 'pay as you go' and capped daily tickets.

Creates the potential for commercial add-on applications that can help support public transport investment or civic add-ons like local authority libraries and leisure centres.



What we want smart ticketing to achieve

The full benefits of smart ticketing are only achieved if the ticketing products that are carried on smart media are attractive, readily available and competitively priced. Particularly in large urban areas this means ticketing products that can be used across all service providers and all modes of public transport.

Ticketing options that are simple to use and understand are key to making complex urban public transport networks attractive and accessible to users. The international evidence is clear – when public transport ticketing gets simpler, more people use it. It is also key to the success of Oyster in London. **Something that looks and feels like Oyster** – in terms of simplicity of use – is what customers aspire to for their own local urban transport networks.

Smart, simple and integrated ticketing will also help **promote growth** through making it easier for the jobless to access jobs and by reducing traffic congestion, through making public transport faster and more reliable.

We are also **looking to the future** where increasingly people will want to use smart devices both for information about how best to get from A to B by all modes of travel, but also to pay for access to those modes, as well as being informed of any disruption to their journeys. As well as public transport, customers will want access to a range of options including bike and car rental, car clubs and taxis. This emerging market in 'total mobility' offers exciting opportunities for 'tickets in the cloud' to make travel more convenient, but also to promote awareness of the more sustainable travel options and reduce reliance on car ownership.

What barriers stand in the way?

There are of course considerable detailed technological and planning challenges in transforming ticketing for large urban areas. However bigger challenges can arise from the fragmented way in which public transport is provided in the major city regions outside London.

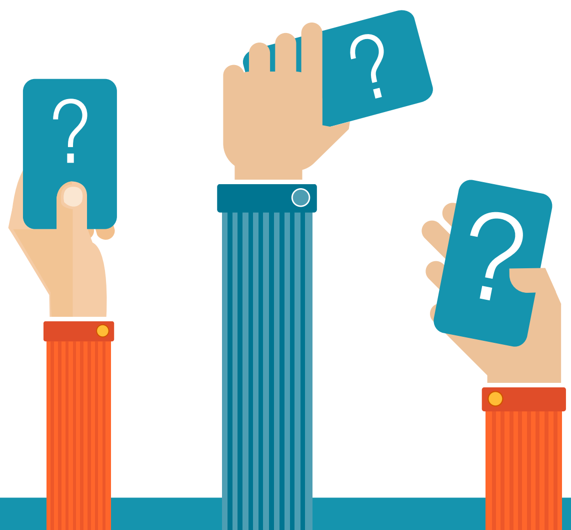
Outside London there are not the same controls on ticketing and fare structures that allow Transport for London to ensure a single integrated ticketing system. As a result in **too many of our areas fares structures can be complex and opaque** with tickets that can be used across more than one operator or mode, priced too high, and far less available, when compared with single operator tickets. Customers, and potential customers, also find it hard or impossible to acquire fare information as part of journey planning and are not confident in purchasing the best value product for their journeys.

To tackle this problem some of our areas are looking to introduce the **franchising** of their bus networks which would allow the transport authority to specify smart and simple ticketing in the same way that London does.

Elsewhere, where bus services remain deregulated, there is a need for **additional powers** for transport authorities to ensure the premia that is charged for tickets that can be used on services run by more than one operator is reasonable, and also that those tickets are properly promoted, retailed and accepted by all operators.

The Government too has a role to play in ensuring that there is read across from smart ticketing initiatives on local and inter-urban rail services with those for local bus networks. Otherwise there is a danger that both the use of smart media and ticketing structures on local rail and bus services will be different and incompatible. Some progress has been made in this direction through initiatives like **Transport for the North and Rail North**, where transport authorities are being given a greater say over the planning and development of their transport networks.

The Government has also used the London and the South East as a testbed and pioneer for the benefits of smart ticketing and has invested significant amounts in Oyster and the roll out of smart ticketing to the wider South East rail network. Now that the concept has been proven in London and the South East these benefits should be rapidly rolled out to the rest of the country – starting with the major city regions – with a similar commitment from Government to provide the **funding support** necessary.



Two futures

With the right regulatory framework, coordination and funding support the public and private sector can work together to give the city regions the single, simple, integrated and smart ticketing that people want and which has proved to be such a success in London.

However, without these changes **the danger is that in many places ticketing will be smart – but it will not be simple.** It will be disintegrated rather than integrated. Indeed a resident of an urban area may still need more than one smartcard in their pocket to get the best deal on their local bus network as different operators continue to promote and price their own ticketing products and cards at the expense of cards and ticketing products that can be used across the wider network.

Rail and bus networks may also be operating separate smart media and ticketing structures. All of which will discourage public transport use, increase the costs of providing it and slow down journey times as passengers struggle to understand and use the network. Opportunities to develop public transport smart products into wider 'total mobility' offers will also be lost.

What we have achieved so far

Our members are committed to introducing smarter, simpler ticketing in the city regions – which is why they have taken a leading role in its planning and implementation.

Here are some of the things we have done so far…

One or more of our members have already introduced:

- Young persons' concessionary travel passes on smartcards.
- Bus and rail multi-modal products.
- Carnets of day tickets.

One or more of our members have already:

- Provided technical and other support for small bus operators in going smart.
- Installed smart enabled gate-lines at stations.
- Made it easy to buy smartcards and ticketing products at local shops.

Examples of our roll out of smart ticketing include:

- One million public transport journeys a week now being made in West Yorkshire by 'M-card'.
- 60 million concessionary journeys a year in the West Midlands.
- 1.3 million smartcard transactions are now being made on the Tyne and Wear Metro every month.

Effective Collaboration

The city regions are working collaboratively together to cut costs and speed up the pace of implementation.

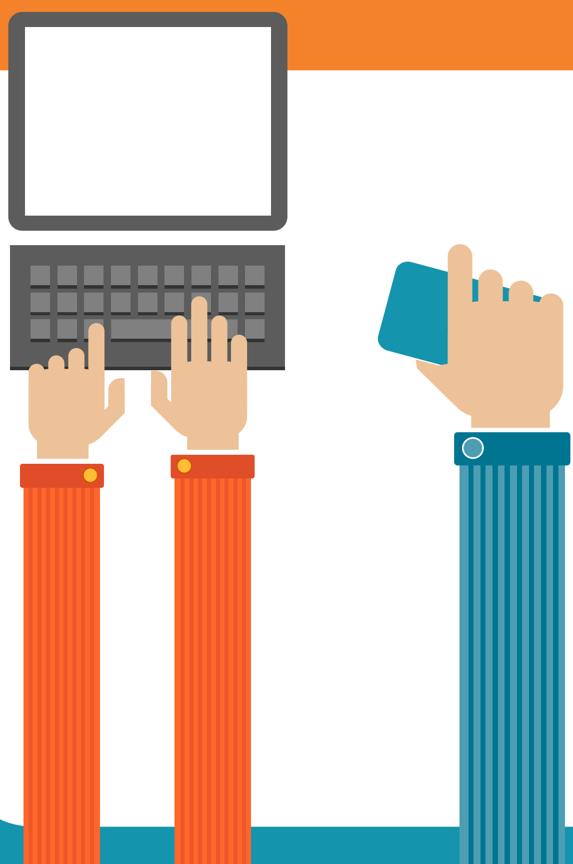
For example, through sharing the back office systems that sit behind smart ticketing systems; through joint procurement (for example with the 'payzone' retail network); and by sharing good practice via the ***pteg*** network.

We are also working with the private sector bus industry, and the Government, through initiatives like the Smart Cities Partnership, as well as bodies like ITSO. ITSO ensures that the IT specification for smart ticketing speaks the same language.

What should happen next…

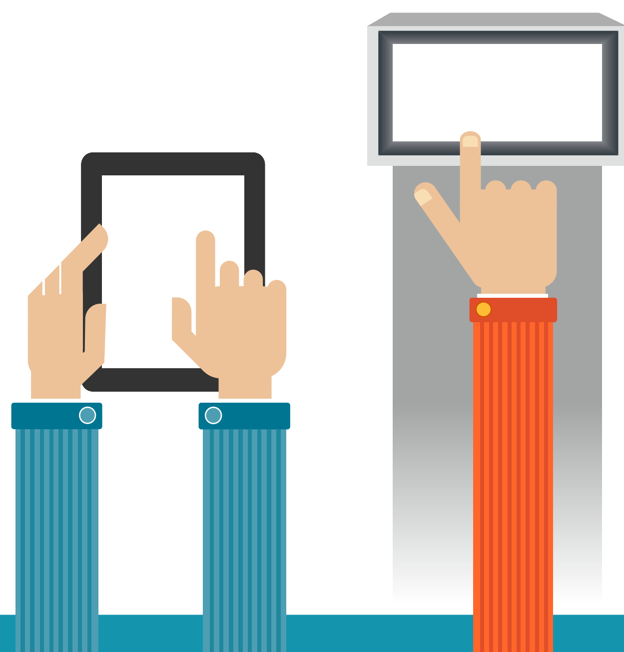
What we will do next:

- Continue to press ahead with the introduction of smart ticketing and promoting the simplification of ticketing structures.
- Work with each other, with Government, and with the private sector, to reduce the costs and time involved through knowledge transfer, collaboration and cooperation.
- Seek to introduce smart tickets and products that can be used across our cities.



What Government can do

- Change the legislative framework to make it easier to introduce the franchising of bus networks so that smart and simple ticketing can be specified as it is in London.
- Where services remain deregulated give transport authorities more powers to ensure that the premia on tickets that can be used on the services of more than one operator are reasonable and that those tickets are properly promoted and retailed.
- Ensure that national smart policies and initiatives on bus and rail are coordinated to achieve single outcomes in the city regions.
- Provide the funding support necessary to roll out smart ticketing in the city regions in the same way that Government has funded smart ticketing in London and the South East.



What we can achieve together – a smart vision

We have a vision of smart simple and competitive ticketing that is easy to use across all providers and across all modes. Something that looks and feels more like London's Oyster.

It should never be the case that a passenger in one of our cities needs to carry more than one smartcard in their pocket to be sure of getting the best deal. We also want to shape and be part of a future of 'total mobility' where smart devices will access information about all the options for a journey and the means of payment for them – be it by bike, electric car or public transport.

With the right legislative framework, funding and coordination this is a future that is within our grasp and we look forward to working with both national government and the private sector to bring it about.

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