



# Scotland – Concessionary Travel and Smartcards

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# Who Are We?



- Agency of the Scottish Government
- Responsible for delivery of Scotland-wide Older & Disabled Persons Conc Scheme (covers all bus and some ferry) and Young Persons Scheme (covers bus, rail and ferry)
- Policy responsibility for Integrated Ticketing

# Some Facts & Figures



- 300 bus operators
- 13 ferry operators
- 7,500 ITSO compliant ticket machines and associated back offices
- 4 ticket machine suppliers

# Some Facts & Figures



- Over 1,000,000 cardholders
- 32 card owning local authorities
- £182m concessionary budget
- Transport Scotland only started in Jan 2006
- On the way to becoming the largest ITSO scheme to date

# The Smart Card



- National Entitlement Card
- Several public sector functions
- Sponsored by Scottish Government

# ITSO



- Transport Scotland have chosen to back the ITSO standard
- ITSO – a common specification at card and application levels
- All cards appropriately encoded within an ITSO shell
- Facilitates the use of interoperable cards in transport (and beyond!)

# Our Achievements

- Older Persons scheme commenced April 06
- Excellent take-up (over 1m cardholders compared with 830,000 before)
- Young Persons scheme commenced Jan 07
- 30,000 cards issued in first 6 months
- Very successful live pilot of smartcard operation in Shetland in Nov 06

# Our Achievements

- ETM orders placed by most bus operators
- Few complaints from cardholders or operators
- Reimbursement payments reaching operators on time
- National reimbursement system successfully integrated with our systems

# Our Future Goals – Short Term



- Commence Scotlandwide roll-out of ITSO certified equipment from September 2007
- Operational handheld ITSO equipment piloted on buses and ferries in 2008
- Reimbursements to operators using ITSO generated data
- Consult on an Integrated Ticketing Strategy in 2007

# Our Future Goals – Longer Term

- complete ITSO roll-out during 2008
- operational ferry systems
- use of smartcards for all concession journeys
- card hot listing system
- cross border interoperability with NOWCard
- commercial and integrated ticketing pilots

# Our Card Experience



- Additional challenges for Transport Scotland as card is not ours
- Reliant on Local Authorities, Improvement Service and card issuing company
- Turnaround times have generally been good
- Smartcard appears to be physically robust
- We worry about consistency/accuracy on eligibility decisions by local authorities

# Our Operator Experience



- They appreciate clear national strategy and single agency to administer scheme
- commitment to help implement and develop the scheme
- enthusiasm for new equipment but concern over emerging timescales
- recognition of commercial opportunities using smart cards

# Our Operator Experience



- operator purchase of additional functionality – eg GPS and GPRS
- Several additional costs passed to Transport Scotland – eg project management, vandal screens, RTI interfaces
- Small operators slow to complete paperwork to order equipment

# Our ITSO Experience



- specification is still immature and open to some interpretation
- several bugs and errors
- TS is paying to fix the Specification
- Need for integrated 'end to end' testing
- increased integration costs
- high level of commitment and assistance from ITSO management

# Our ETM Supplier Experience



- Shortage of skilled resources
- use changes to the ITSO specification as an excuse for slow progress
- Payment milestones don't always work
- Struggle with project planning and project management

# Our ETM Supplier Experience



- weak implementation plans
- lack of awareness of what they said in tenders
- poor internal communication, especially between sales and implementation teams

# Our Back Office Supplier Experience



- AMS/HOPS full functionality still not delivered
- Lack of an ISAM commissioning interface caused problems
- Non-ITSO element of back office delivered and working well

# Our Programme Experience



- complexity of a multi-application card in an early implementation of ITSO
- need for strict commercial control over suppliers
- importance of effective communication
- operator commitment is essential
- small operator involvement is difficult
- ITSO still requires system integrators – it's not yet 'plug and play'

# Our Programme Experience



- Contracts don't always cover all the issues
- A lot of interdependencies
- Difficult to manage a range of consultants and suppliers who are remotely based
- Planning implementation dates with any certainty is difficult

# Auditors



- Internal Audit highlighted a number of potential controls issues
- Recommended going Smart asap
- Has resulted in TS developing risk models for looking at both operators and card issuers
- Risk based approach to target our resources efficiently

# Our Lessons



- establish budgets and costs
  - fixed price contracts
  - long term commitments to ITSO from suppliers
  - commercial analysis of all changes
- effective and informed programme leadership
- clear roles and responsibilities
- objective external advice - 'critical friend'
- skilled 'integration' supervision and validation
- rigorous communication and audit trails



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