Tyne and Wear Integrated Transport Authority - Metro Sub Committee

Meeting to be held on Thursday 7 November 2013 at 10.30 am in a Committee Room, Civic Centre, Newcastle upon Tyne, NE1 8QH

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SUPPLEMENTAL AGENDA

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Tyne and Wear Integrated Transport Authority

Metro Sub-Committee

REPORT FOR INFORMATION

DATE: **7th November 2013**

SUBJECT: **Smart Ticketing Update**

REPORT OF: **Deputy Director General of Nexus**

PURPOSE OF REPORT

To update Members on plans to introduce smart ticketing on the Tyne and Wear Metro system by means of the Pop Card.

RECOMMENDATIONS

The ITA is recommended to note the delivery programme set out in this paper.

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IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Neutral

1	**Executive Summary**
1.1	The installation and commissioning of new Ticket Machines, platform validators and Gatelines on Metro stations is now complete. The process is nearing completion in the conversion of Metro customers to Smartcards, with 88% of Gold Card holders and nearly all MetroSaver customers now converted – some 60,000 cardholders now being able to use the gates and validators. Conversion of NTL period passholders to gate enabled tickets has also commenced.
	Initial operational testing of gatelines (on entry only) has been successful, with customers appearing to adapt quickly to the requirement to use gates to enter the Metro during periods of testing.
	In order to progress the operational testing further, we will be asking **customers to start to "Touch in" and "Touch out" when using the Metro with effect from Monday 11th November**. This will enable gateline operations to be tested on exit as well as entry as well as ensuring that the back office processes related to smart ticketing work correctly
	This phase of testing is expected to last until the end of the Calendar year. Early in the new year, we expect to commence the full implementation of gateline operations, on a phased basis – starting to operate gates routinely at the quieter stations and progressively moving to busier stations and busier times of day.
1.2	The timeline for the remaining programme is as follows:

November – December 2013	Operational Testing; Customers are *asked* to "Touch in" and "Touch Out"
January 2014	Commencement of routine operation of gatelines
	Customers are *required* to "Touch in" and "Touch out"
	Launch of Pop website. Metrosaver customers will be able to renew their period pass Via the internet, with the electronic ticket being loaded onto their POP card when they next visit a Metro Station
February 2014	MetroSaver customers will be able to buy their tickets at PayZone Agents (newsagents etc);

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March 2014 (provisional, subject to testing)	The introduction of Oyster-style "Pay As You Go" travel on Metro, with a maximum daily price cap and the "Get You Home Guarantee" Automatic Ticket Gates routinely in operation at 11 Metro stations across the network
May 2014	Gatelines installed at two further stations – Byker and Chichester
November 2014 (provisional subject to development)	Enhancements to product range and availability. Customers will be able to set up automatic renewal of their smartcards on line and carry the Pay As You Go product and a period pass on the same card and the introduction of zonal price caps

2	**Introduction and Background**
2.1	Through the Ticketing and Gating Scheme, Nexus has introduced new ticket machines to all Metro stations, improving customer convenience by allowing payment by banknote and credit/debit cards, and a wider product range available for purchase at stations. The scheme now sees Automatic Ticket Gates coming into operation at a number of stations over coming months which, when activated will bring additional benefits of security and ticket fraud reduction.
2.2	As a result of the creation of the North East Smart Ticketing Initiative (NESTI), Nexus determined to upgrade the capability of the new ticketing system to introduce smart ticketing on the Tyne and Wear Metro. Funding from NESTI, combined with specific grant funding from DfT and other additional resources has made this possible.
2.3	This paper describes the progress to date and outlines the delivery programme through the remaining transition period to the full introduction of smart ticketing on Metro.

3	**Delivery Programme**
3.1	**Progress to date**
	The physical works required on stations is now complete, with 225 Ticket Machines installed across 60 stations and gatelines installed at 11 locations.
	Software for the gatelines and validators, together with updated software for the Ticket Machines has been tested and rolled out. A number of problems were encountered during this commissioning phase which led to this taking longer than anticipated. However, these problems have now been resolved and the gatelines are now able to be put in operational use.
	MetroSaver customers, 88% of Gold Card holders and Students at Newcastle University who are able to load their Student ticket onto their University ID/Smartcard are now all in possession of "gate enabled" smart cards, some 60,000 cards in total.
	Together with sales from Ticket Machines, this means that approximately 80% of passengers are already carrying "gate enabled" tickets. This proportion will continue to rise as the remaining Gold Card customers transition to Smart and as Network One customers also transition to Gate-enabled tickets. Nonetheless, this figure is already above the threshold required for the safe operation of the gatelines at quieter stations.
3.2	**November - December 2013** – Full operational testing
	With the technology now working and sufficient passengers carrying gate enabled tickets, this phase will test the operational practices that will be used when gates – for example, how many gates to set to "in" and how many to set to "out" at different times of the day. This is to ensure that, when fully implemented, gates will always operate safely.
	In order to undertake this testing, we will be asking customers to start to "touch in" and "touch out". This period also provides an opportunity for customers to be shown how to use the gates ahead of full operation.
3.3	**January 2014** – Implementation of Gatelines and launch of website
	Starting in January, each of the 11 gated stations will have their gatelines brought into full operational service, with the gates operational during set hours, seven days per week. Additional staff have been recruited by DBTW in preparation for gateline operation. This is already having an impact on fraud levels and in deterring

antisocial behaviour.

This process will commence with the quieter stations (e.g. Manors) and progressively build up to the busiest as customer awareness and familiarity grows.

Timed to coincide with the commencement of this process, the POP website will be launched. Through the website, customers will be able to:

- Register their card and details, so that lost or stolen cards can be blocked and replaced

- Renew their period pass, being able to collect the electronic product when they next visit a Metro station or onto their smartcard at home, using their own "POP Pad"

- View the usage history of their smartcard

At this point, all smartcard customers will be <u>required</u> to 'touch in' when entering a Metro station (by touching their smartcard to a reader on a validator or by passing through an Automatic Ticket Gate), and 'touch out' at their destination station. Not doing so will prevent customers from exiting gates and may lead to the issue of a Penalty Fare Notice. Widespread customer communications will continue to explain the process.

3.4	**February 2014** – MetroSavers available at PayZone outlets From February, MetroSaver customers will be able to buy their tickets at PayZone Agents (newsagents etc), with this retail network thus being ready in time for the launch of the POP Pay As You Go product.
3.5	**Provisionally March 2013** (dependent upon successful completion of an in-depth testing regime) – The introduction of Oyster-style "Pay As You Go" travel on Metro Dependent upon the successful completion of a rigorous testing and trialling programme that has commenced and will continue throughout the winter, March will see the launch of the Pay As You Go product. Customers will be able to obtain a dedicated smartcard onto which credits can be pre-loaded. This will allow people to pay as they travel without have to purchase a single, day ticket or season ticket in advance of boarding the train. Instead they will 'touch in' and 'touch out' at the station, and the system will automatically calculate the correct fare to be charged. If the customer makes multiple trips on the same day, the system will apply a 'price cap' to ensure that no more than the day ticket price is charged for the zones the customer has travelled through. The card will also have an "overdraft facility" which

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will ensure that customers can complete their journey even if they have insufficient credit on their card. The prices to be charged for using the Pay As You Go card will be incorporated into the ITA's annual pricing review in November.

It has been agreed with the Bus Operators in the region that this same Pay As You Go card will also be able to be used to purchase single tickets and day products on Buses across the North East region. We are currently working with Bus Operators to ensure that this facility can be introduced at the same time. Good progress has been made but, again, this will be dependent upon the successful trialling of the product through the winter.

| 3.6 | **November 2014 (provisional dependent upon completion of development work)**
Enhancement of the product range and availability

Throughout 2014, we will be working on a series of further enhancements to ways in which customers can use their POP cards to travel on Metro. Those which are in the pipeline include:

- The introduction of a zonal price cap for PAYG, to provide a "best price guarantee" facility for users

- The ability for regular period pass customers to set up an automatic renewal facility

- The ability to hold the PAYG product and a period pass on the same card, allowing customers with a 1 or 2 zone period pass to use the PAYG product seamlessly when travelling outside of their normal patterns of travel

Nexus is also considering introducing other opportunities to exploit the development work undertaken to date. For example, a solution to allow customers to purchase and load the electronic ticket onto their smartcard using an NFC enabled mobile phones would be exploiting the same technology and development work that has already been undertaken and is currently in use for the conversion of paper period pass holders to smartcard at the moment. As yet, though, this and other concepts remain subject to an evaluation of customer demand and value for money analysis.

| 3.7 | **Network One tickets**

Nexus acts as an agent for the sale of Network One tickets which can be used on bus, Metro, Ferry and Northern Rail services throughout Tyne and Wear. Network One is an independent company that is responsible for determining its own smart ticketing strategy. The Network One Board has resolved to ensure that its own

product range will go Smart over the next 12 months. In the meantime, however, a conversion process is taking place to allow NTL customers to use the gates using gate enabled paper tickets.

4	**Next Steps**
	Over the coming months the ITA will continue to receive regular updates regarding the progress against the delivery plan.
5	**Potential impact on objectives**
	To support economic development and regeneration – The introduction of smart ticketing is intended to increase the attractiveness of public transport as a means of travel. This can contribute to the reduction of congestion, while giving people greater choice in, and access to, employment and training.
	To address climate change – the introduction of smart ticketing will increase the attractiveness of public transport as a mode of travel reducing the number of individual car users and therefore fuel consumption. Also the introduction of smart ticketing reduces the requirement for paper based tickets.

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