



Department for Transport

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From Jenni Borg
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Our Ref: JB/Stakeholders

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Dear Mike,

I'm writing to update you on handling of ticketing policy and the portfolio of initiatives to transform ticketing within the Department.

The smart and integrated ticketing team was established in 2010, to support the delivery of change in the bus and rail sectors. Over the last six years there have been a number of significant achievements which I have been delighted to support.

- We worked closely with Transport for London and rail operators in the South East to extend smart ticketing to commuters.
 - o We completed ITSO on Prestige, enabling smart rail tickets to be used throughout London.
 - o We successfully bid for and established the South East Flexible Ticketing programme, which will ensure that by the end of this year 73% of season ticket holders in the south east have the option to have their season product on a smart card. c2c has already reached 25% uptake of annual season tickets on smart; it introduced automatic compensation for smart commuters after just two minutes' delay in February and it will introduce flexible season tickets later this year.
 - o Collectively we have put in place the only back-office that complies with the latest rail standard, with the capability to support every train operator in the country, and a product set which includes both traditional and innovative products, such as carnets, with AGA already using it and plans to onboard c2c and Southeastern later in the year.

- We have established outline agreements with TfL and operators to form the basis for ongoing management and development.
- We supported TfL in delivering its Future Ticketing Programme, and rail operators so that they were part of the roll out of contactless bank cards from day one. We worked with operators and TfL to identify what was needed to extend the use of contactless to national rail, and with the UK Cards Association we have developed the transactional models that operators now plan to roll out to bus and rail.
- We worked in partnership with cities and bus operators outside London to deliver smart integrated bus ticketing, with all the major conurbations having smart, multi-operator bus ticketing schemes in place by the end of 2015.
- We have established the model for city/rail integration, and brokered agreements between cities and rail operators, with Birmingham and Brighton launching the first multi-modal, multi-operator smart ticketing schemes outside London.
- We supported Transport for the North in establishing its vision and strategy for smart and integrated ticketing and successfully bid for the resources to support the delivery of their ambitions.
- We have enabled concessionary travel cards to be used smartly for the vast majority of journeys, and for local authorities to use the data for reimbursement. And in Norfolk and Brighton we demonstrated how a “managed service” approach could ensure that even the smallest bus operators are able to move to smarter ticketing.
- We challenged and supported ITSO in becoming a stable, financially sustainable business rather than a government backed corporation.
- We adopted a technology neutral approach, recognising that, at least in the near term, a mix of technologies will be required, and that customer choice and convenience will be key to success, and we agreed a shared vision and strategy with the rail industry, and supported the plans of the bus operators, to move to utilise the full range of technologies. And we have led the debate internally within the Department, and with our international partners, on the opportunities presented by new technologies and new approaches, such as “Mobility as a Service”.
- We established a learning and research programme, which has now produced a significant body of evidence to inform future development and placed greater emphasis on improving the customer experience, building on the experiences of cities and operators.

Perhaps most importantly we changed the tenor of the debate: putting passengers at the heart of ticketing transformation and instilling a real ethos

of collaboration with a focus on delivering passenger and industry benefits. These benefits will be significant, both in terms of reducing the cost and hassle of ticketing, and in creating the rich customer and usage data to support revenue growth. I know from experience how hard the transport industry and regional authorities have worked to build consensus and transform challenges into opportunities to do things differently.

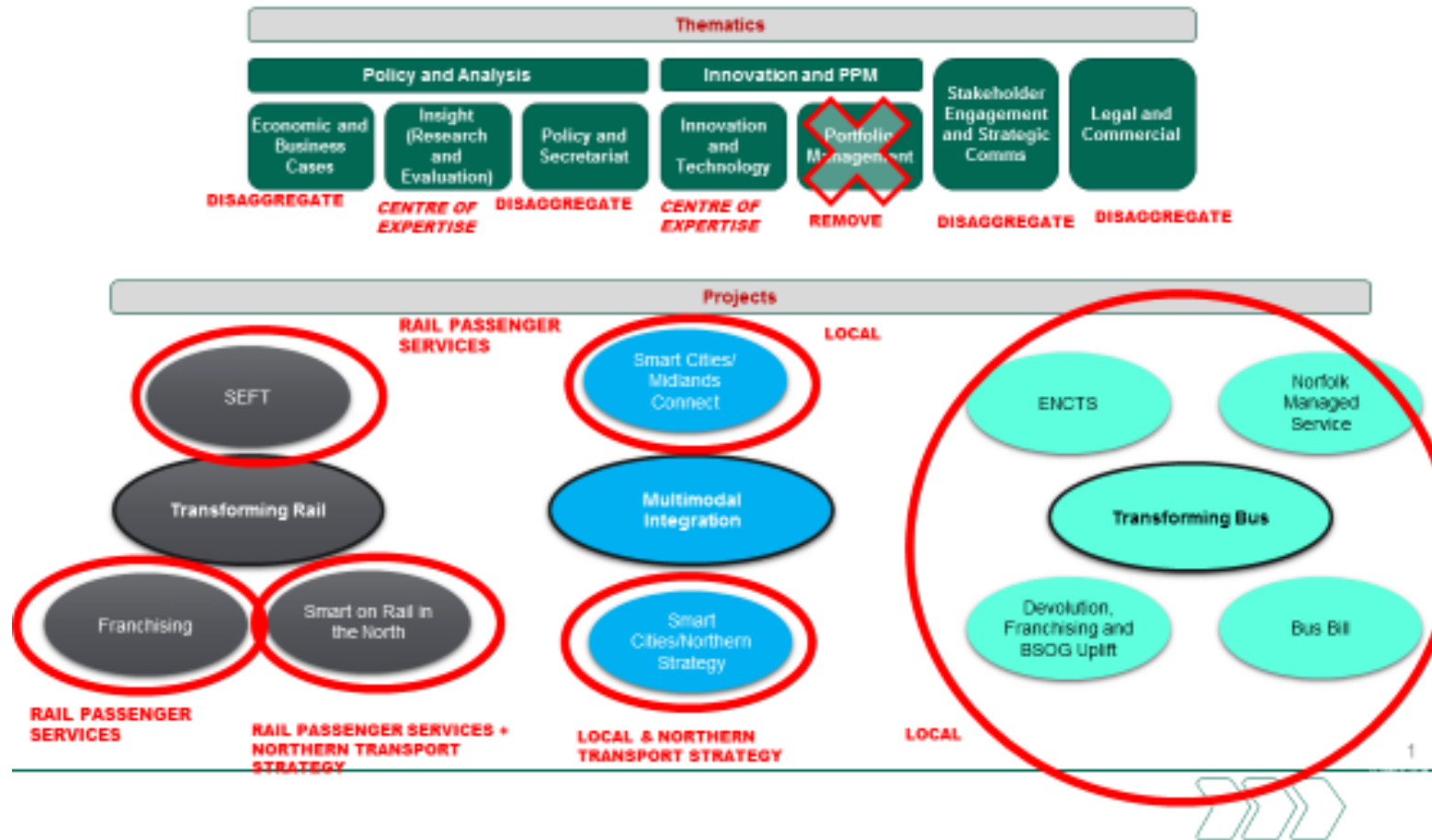
Some of the friction is borne of commercial tension between competing rivals; sometimes friction has arisen out of cultural inertia, but by working together and focusing on success we have made change happen.

Exciting times lie ahead. I'm delighted to see how much the objectives that we have been working towards, and the collaborative ways of working we have championed, have been adopted by the industry.

Of course there is always more to do and there remain significant challenges around governance, commercial and regulatory requirements to support transformation and benefit realisation. In light of this, the Department has decided that now is the time to disaggregate the team so that our important work is more effectively mainstreamed with other bus and rail industry management, whilst retaining an "intelligent client" capability. I attach a slide setting out where our work will sit in the Department in the future.

Personally, I am very proud of what we collectively have managed to achieve, and would like to thank you for your support, and your constructive criticism, over the last six years. It has not always been easy, but it has been enormously productive. I am looking forward to moving on to fresh challenges, and I'd like to wish you all the best with your continued work to transform ticketing for the future.

JENNI BORG





DfT org unit	Rail passenger services	Local	Energy, Technology & International	Chief Scientist	Northern Transport Strategy
Functions	SEFT programme IOP contract Rail smart and integrated ticketing policy, specification and oversight of delivery including where devolved	Bus smart and integrated ticketing policy and oversight of delivery Norfolk & Brighton project Smart Cities Partnership	Mobility as a service	Smart and real time information technology strategy Intelligent client function Insight and evaluation programme Representative at technology fora (ITSO Board, CTEG, TCF)	TfN programme sponsorship
Permanent staff					
Contractors					

