



Contract for the provision of smart ZoneCard services

Date of meeting 24 June 2022

Date of report 14 June 2022

Report by Director of Finance & Corporate Support

1. Object of report

To recommend the Partnership approve the award of a contract for the development and delivery of smart ZoneCard services to Unicard Ltd.

2. Background

In relation to multi-modal and multi-operator travel, the Transport (Scotland) Act 2001 requires that an authority such as SPT “*shall from time to time determine what ticketing arrangements should be made available for their area*” and “*whether the required ticketing arrangements are being made available*”.

Where required to meet the needs of the travelling public, the authority should then seek to make a “*ticketing arrangement*”, which is a voluntary agreement, with relevant operators. Should it not prove possible to make such an arrangement, the authority may enforce a ticketing scheme, for which participation is mandatory. However, this mandatory approach remains legally untested.

SPT previously determined a requirement for a multi-modal, multi-operator ticket which led to the ZoneCard Ticketing Arrangement being established. ZoneCard is a commercial ticketing arrangement which operators participate in voluntarily. SPT administers the ticketing arrangement but decisions about the arrangement are made by the participating operators in collaboration with SPT.

ZoneCard is a multi-operator, multi-modal transport ticket covering bus, rail, Subway and ferry. ZoneCard tickets can be purchased with validity from one week up to one year. The ZoneCard ticketing arrangement has been in existence for around 30 years and most details of the arrangement have remained largely unchanged in that time. As a result, the ticket does not reflect the current day need for flexible ticketing.

ZoneCard is governed through a Forum of the main operators (including a representative of smaller operators). This collaborative and collegiate approach to planning and decision making has proved an effective way to deliver an integrated multi-modal ticket highly valued by customers throughout the Strathclyde area.

More than 385,000 weeks of ZoneCard tickets were sold during 2019-20 with value exceeding £10 million. ZoneCard continues to play an essential role in public transport provision for the Strathclyde area however demand has been in steady decline, having once exceeded 650,000 weeks sold.

SPT and the ZoneCard participating operators recognise that ZoneCard in its existing format no longer meets the needs of the travelling public.

A series of workstreams are being progressed to comprehensively modernise the ZoneCard offering with the aim of offering a modern, smart, flexible, convenient multi-operator multi-modal ticket. Customers will be able to access bus, rail and Subway travel using one ticket on one smartcard.

A modernised ZoneCard will also support public transport operators by enabling quicker, more transparent and more robust allocation of ZoneCard ticket revenue compared to existing arrangements.

3. Outline of proposals

SPT on behalf of the participating operators has carried out a tender exercise to procure a supplier of an ITSO smart platform for the modernised ZoneCard ticketing arrangement. The core purpose of this tender was to appoint an established supplier with a proven ITSO platform to deliver the following:

- Development, testing and deployment of a range of ITSO ticket products (including but not limited to season tickets and carnets) to be accepted on multiple modes and by multiple operators.
- Ongoing services to maintain the availability of the ITSO ticket products.
- Liaison with operators and their suppliers through the development, testing and deployment stages.
- Ticket validity to be based on a geographic Zonal structure (estimated seven zones in total).
- Online retail and fulfilment service (including Remote Ticket Download) for the above range of ZoneCard ITSO products.
- Retail at operators' existing physical POSTs (Point of Service Terminals such as ticket vending machines).
- Mobile app for operator ticket inspection and validation.
- Comprehensive ITSO/HOPS (Host Operator Processing Service) as Product Owner and connecting to 3rd party services as required.
- Reporting from HOPS.

The technical specification was developed by a Tender Team including representation from the rail and bus industries and SPT, along with specialist technical consultancy support.

At the conclusion of the procurement exercise, three compliant bids were taken forward for detailed assessment. The assessment was on a 30%/70% technical/commercial basis.

The three bidders were:

- Ecebs Ltd;
- Nevis Technologies Ltd; and

- Unicard Ltd.

The technical, commercial and overall combined scores are detailed in the table below and the overall combined score illustrates the most advantageous tenderer as being Unicard Ltd.

		Commercial Score			
	Technical score	Tender Value	Score	Combined Technical and Commercial Score	Rank
Ecebs	22.51	£310,659	63.88	86.63	2
Nevis	22.51	£310,659	63.88	86.63	2
Unicard	30	£283,510	70	100	1

The recommended contract is for an initial four-year period at a cost of £283,510 with an option for a 24-month extension.

4. Conclusion

The Most Economically Advantageous Tender is that submitted by Unicard Ltd.

5. Partnership action

It is recommended that the Committee approve the award of the contract for provision of smart ZoneCard services to Unicard Ltd at an estimated cost of £283,510.

6. Consequences

Policy consequences	<i>Provision of improved integrated ticketing strongly supports SPT's strategic objectives.</i>
Legal consequences	<i>None identified.</i>
Financial consequences	<i>The contract cost is estimated at £283,510 over four years. Agreement in principle has been reached by the ZoneCard Forum of operators to cover the implementation costs. Alternative funding sources will also be explored.</i>
Personnel consequences	<i>None identified.</i>
Equalities consequences	<i>None identified.</i>
Risk consequences	<i>None identified.</i>
Climate change, adaption and carbon consequences	<i>Convenient and flexible ticketing will support the use of public transport as a lower carbon alternative to travel by car.</i>

Name Neil Wylie
Title **Director of Finance & Corporate Support**

Name Valerie Davidson
Title **Chief Executive**

For further information, please contact *Michael Nimmo, Ticketing Commercial Team Leader* on 0141 333 3234.