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Franchise Bidders to include ITSO Smartcard Ticketing

The first steps to enable the introduction of electronic ticketing and smartcard technology adoption on UK Rail have been made.

Bidders for the new ten-year South Western franchise announced in April were required to introduce ITSO-compliant ticketing system throughout the franchise area from January 2009. And now Transport for London has agreed to pay for smartcard validation equipment to be provided for all London rail stations in Zones 1 – 6 for benefits of London's rail passengers.

This may on the face of it seem like an Oyster announcement but just one sentence opens the world of ITSO.

Just in case you missed the announcements, here they are again: both the TfL and the supporting ITSO release.



TRANSPORT SECRETARY AND MAYOR OF LONDON ANNOUNCE NEW OYSTER DEAL FOR RAIL PASSENGERS

A deal that will help London's rail passengers get the full benefit of Oyster cards and lay the foundations for a nationally accepted smartcard ticketing scheme has been struck.

The details of the announcement were set out by the new Transport Secretary, Douglas Alexander and London Mayor Ken Livingstone today. Transport for London has agreed to pay for Oyster validation equipment to be provided for all London rail stations in Zones 1 - 6. It is a significant breakthrough that offers train companies the opportunity to accept Oyster pay-as-you-go products on their services.

Transport for London has also agreed to work with the Department for Transport to ensure that all Oyster equipment is capable of accepting other smart cards. These are currently under development for use on public transport across the country by the Integrated Ticketing Smartcard Organisation (ITSO).

This is a further step towards the wider introduction of smart ticketing technology outside of London. It will allow the development of fully integrated ticketing systems in and beyond the Capital, extending the convenience and ease of smartcard technology to millions more passengers. It builds on the Government's decision to require bidders for the new South Western rail franchise to set out how a new smart ticketing system could be introduced across its franchise area from London to the South Coast. Announcing the deal, Douglas Alexander the new Transport Secretary said:

"This is a major step forward in ensuring that all passengers can benefit from the improvements new technology can bring. It lays the foundation for a national integrated ticketing scheme that will mean more flexible, quicker and simpler tickets for all public transport passengers."

The Department for Transport has agreed to fund for upgrades to existing Oyster equipment in London to make Oyster gates and validators on the Underground, at major rail termini and on the buses, accept basic alternative Smartcard (ITSO) products. The expected cost is around £19m.

ITSO welcomes the announcement today that ITSO interoperability will be extended across the whole Oyster Network and London Zones 1-6 rail stations. This aligns the whole of London with the recent announcement that bidders for the South Western Rail Franchise will be required to include ITSO.

Chairman of ITSO, Neil Scales, Director General of Merseytravel, said "This confirms ITSO as the UK standard for all interoperable smartcard ticketing, building on the current roll-out of schemes across England, Scotland and Wales." Customers holding ITSO cards from any part of the UK will in future be able to buy and load onto their card tickets that allow them to travel on or through the TfL network. Neil Scales added "This can only be a benefit to all concerned".

Mike Eastham, ITSO's General Manager confirmed "ITSO will be working closely with TfL to ensure its equipment securely operates with the ITSO environment".

Editorial comment: What the TFL announcement means to ITSO

At a purely pecuniary level the announcement means that more ISAMs may be ordered to equip London area rail stations, and that more equipment may go through ITSO certification. However strategically it is more important in that it opens the door for TOCs to implement ITSO. We have seen the proposed South West franchise ITT with its requirement for ITSO – and expect others may follow – but this recent announcement will enable TOCs to introduce ITSO earlier than might otherwise have been the case.

Implementation of ITSO Standard in Wales

The Welsh Assembly Government is leading a programme to implement ITSO standard equipment across the bus network to support the Welsh Free Concessionary Fare Scheme, introduced in April 2002.

Since 2001, three existing regional schemes have been developed in isolation. A programme of work is now underway to migrate these existing schemes to achieve both interoperability and improved concessionary cost management across Wales.

To support this smartcard programme the Assembly Government has now become full members of ITSO. Vivien Collins, Project Manager said: "Joining ITSO is important to us to ensure future development takes account of specific Welsh requirements. We are delighted to have become members and the Assembly looks forward to playing an active part within ITSO and assisting others within Europe to implement ITSO compliant schemes."

Implementation across Wales is being undertaken by the four Welsh Regional Transport Consortia (TAITH, TrACC, Sewta and SWWITCH) with funding and project co-ordination from the Assembly Government. An AMS/HOPs back office, along with a card management system and operator reimbursement mechanism, will be procured directly by the Assembly.

Significant progress has already been made in North Wales by TAITH and in South East Wales by Sewta. Planning for the remaining parts of Wales, through SWWITCH in South West Wales and TrACC in Mid Wales is now in progress. Procurement of the back office systems will start shortly, for implementation in 2007.

For further details please contact Vivien Collins, Transport Wales at vivien.collins@wales.gsi.gov.uk

The ITSO myths

Over the last few weeks we have picked up a number of myths about ITSO – here is what they said and what they should have said

ITSO stands for Integrated Transport (or Ticketing in one case) Smartcard Organisation

ITSO now stands for ITSO. Some 2 years ago it abandoned the definition as the scope was wider than transport and smartcard has been replaced with Customer Media (Eurospeak) as the media may be in rings, phones, embedded and still work just like a smart card.

ITSO is the creation of civil servants

ITSO as an organisation was created by a number of PTEs, Local Authorities and Industry Suppliers. It is a members' organisation which has obtained support from the DfT through a number of development contracts. The ITSO specification was written on behalf of those members and agreed with them – many contributed to the actual work.

ITSO aims to provide a common smartcard for use by all transport operators

ITSO is a specification for an application that can be loaded onto a range of smartcards (which others supply). The specification describes 8 different types of media or contactless smart card that can be used, from low cost single use cards, through the familiar Mifare 1K & 4K to top of the range Microprocessor cards. It also includes a platform definition for use of Oyster cards. This gives schemes a wide choice of media to suit their particular application and business model – not necessarily a transport card. Scotland is the prime example of this – a citizen card with transport as one of the entitlements.

There is no journey log on the card What might this mean for revenue allocation?

This statement is plain wrong. There are multiple methods of logging journeys on the media in the ITSO specification which can be made available to the conductor and also transactions are created on each leg of a (multiple leg) journey so revenue allocation in the back office may in ITSO be based on 100% actual information rather than agreed formulae.



Currently there are 3 ITSO schemes

No there are more – Scotland, Cheshire, Merseytravel, Wales (2), Nowcard, Yorcard, Greater Manchester PTE, Southampton City and Nottinghamshire CC. And then there is the collaboration with CNA to enable Calypso card schemes to interoperate, Finland and Hungary looking at adopting ITSO as their national standard, a collaboration with VdV (Germany) on European standards, two ITSO based ITTs in South Africa, etc etc etc. This speaks for itself.

ITSO is about buses and concessionary passes

It is true that up to now (mostly but not exclusively) the first application implemented in a scheme is usually bus based concessionary travel – simply because this is a major win area, particularly after the budget announcement on free national travel on local buses. But the ITSO specification and environment can be used for any 'ticket' including not-defined 'private' applications. The already defined ITSO product entities include one that can have multiple reservation segments, hardly a "bus concessionary" product.

"...a closed ITSO system..."

There is no such thing. **ITSO** is about interoperability, for example, those smart cards in the SW could be used in Cheshire to load local products (tickets) on. Any restrictions come from the product being acceptable or not – as it is today with paper tickets.

The SW franchise announcement came as a surprise to ITSO

Actually not a complete surprise to **ITSO** but may be to some "informants"! However it would not matter if ITSO did not know as ITSO does not get involved in the planning, operation or commercials of schemes so there is no reason for it to know in advance. ITSO provides an environment which schemes can pick up when they are ready to.

"...Conductor can scan a paper ticket in less than a second but he has to put a smartcard into a reader and interrogate it..."

The **ITSO** specification requires the cards to be contactless – an inspector therefore may merely touch the media against the unit (which can then produce a "valid" or "not valid" response in well under a second) and the software can display all the acceptable tickets for that location without any 'interrogation'. The media or smart cards defined by ITSO, being contactless, do not need to be "put into a reader".

ITSO supplies only the components and security keys

ITSO supplies the environment for the security – not the scheme components. These are usually obtained, both hardware and software, from the growing range of Suppliers who are now active members of ITSO.



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