

Bath & North East Somerset Council

| | | | |
|--|--|-----------------------------------|------|
| DECISION MAKER: | Cllr Symonds, Cabinet Member for Transport | | |
| DECISION DATE: | On or after 23 rd February 2012 | EXECUTIVE FORWARD PLAN REFERENCE: | |
| | | E | 3283 |
| TITLE: | Travel Smartcard Project Approval | | |
| WARD: | All | | |
| AN OPEN PUBLIC ITEM | | | |
| List of attachments to this report: | | | |

1 THE ISSUE

- 1.1 Approval is sought under Part 4B, Rule 16 - Access to Information Procedure Rules of the Council's constitution to spend the balance of grant awarded to the Council to procure smartcards by the end of the financial year. For reasons set out below time is not available to seek approval from the March Cabinet nor through a single member decision to approve this expenditure.
- 1.2 Approval is sought to spend the final element of a South West Smartcard Applications (Ltd) grant for the above project to allow the project to commence. Urgency is required due to the need to place an order for the production of the first 10,000 e-purse smartcards by the end of the financial year. There is a 30 day lead-in time to order the cards.

2 RECOMMENDATION

That agreement is given to:

- 2.1 Release the balance of funds of £306,390 for 2011/12 and future years to purchase cards and implement the project.
- 2.2 The decision be reported to the Cabinet on 14th March 2012

3 FINANCIAL IMPLICATIONS

3.1 The project has been considered by the PID group on 3 occasions and they have approved the project plan. The project has been developed in stages to limit risk and avoid abortive costs. The project can now proceed at no financial risk to the Council. The funds are available having been granted to the project. Technical adjustments have been made to the Council's capital programme to date to cover expenditure for this project.

4 CORPORATE OBJECTIVES

- *Promoting independence and positive lives for everyone*
- *Creating neighbourhoods where people are proud to live*
- *Building a stronger economy*

5 THE REPORT

5.1 B&NES in partnership with First was awarded £400,000 by South West Smartcards Applications Ltd (SWSAL) to develop a pilot smartcard e-purse for Bath University bus services. SWSAL is a joint operator/LTA owned body which had been granted £1.85m funding from the South West Improvement Efficiency Partnership (SWIEP) – an organisation created and funded by Local Councils. Since then SWSAL has secured a further £2.98m funding from the Local Sustainable Transport Fund (LSTF).

5.2 The project is designed to promote and secure the fitment of smart ticket machines (ETMs) on all First buses in the West of England area, and to develop two multi-operator smartcard bus tickets. One of these products is the existing BathRider multi-operator ticket (currently paper based) in Bath, the other is the e-purse.

5.3 The concept is to have a single card capable of holding a cash value that can be used to purchase tickets at point of sale on a bus or in a travel shop. The same card is also configured to be able to hold period or multi-journey products (including the BathRider period ticket and the Bath Park & Ride 10 journey ticket), and that these products may be purchased from the cash balance held on the card. The customer will be able to top-up the value of the cash balance either on-line or in travel shops. This 'oyster' type card will represent a step change in the quality of the bus network in Bath and is the first e-purse in this part of the country.

5.4 The preferred provider for developing an e-purse was sQuid, a third party host who already have Financial Services Authority (FSA) approval to operate the financial hosting of funds.

5.5 Earlier approvals from the grant award have been used to develop the product concepts with essential technical support, and to commission the development of the transit settlement system required for multi-operator products.

5.6 The LSTF award to SWSAL included additional funding to roll-out the e-purse across the South-West, and this now secures the long term funding of the system, with recurrent costs met by SWSAL (for hosting) and by bus operators (who pay per transaction)

5.7 The initial work has now been completed from the external grant to develop the project to the stage when it is now possible to go ahead and approval for this expenditure is now sought.

6 RISK MANAGEMENT

6.1 The report author and Lead Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

7.1 An Equality Impact Assessment has been completed. No adverse or other significant issues were found.

8 RATIONALE

8.1 While this project has been reported to Transport Board and regularly to the West of England Joint Transport Committee formal approval for expenditure has not be obtained to date. There is insufficient time to obtain this approval from Cabinet in March.

9 OTHER OPTIONS CONSIDERED

9.1 Approval could be obtained from Cabinet or through a Single Member Decision but this would prevent the project from making critical purchases before the end of the financial year delaying the project.

10 CONSULTATION

10.1 Cabinet member; Vice Chair of Planning Transport and Environmental Policy and Scrutiny Panel; Section 151 Finance Officer; Chief Executive; Monitoring Officer

10.2 Consultation undertaken on draft report.

11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 Social Inclusion; Customer Focus; Sustainability;

12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

| | |
|--|-----------------------------------|
| Contact person | <i>Richard Smith 01225-477604</i> |
| Sponsoring Cabinet Member | Councillor Roger Symonds |
| Background papers | |
| Please contact the report author if you need to access this report in an alternative format | |