

<b>DECISION-MAKER:</b>	<b>SOLENT TRANSPORT JOINT COMMITTEE</b>		
<b>SUBJECT:</b>	<b>SOLENT GO</b>		
<b>DATE OF DECISION:</b>	<b>25 FEBRUARY 2019</b>		
<b>REPORT OF:</b>	<b>RICHARD PEMBERTON, PRINCIPAL TRANSPORT PLANNER, SOLENT TRANSPORT</b>		
<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>	
<b>NOT APPLICABLE</b>	
<b>BRIEF SUMMARY</b>	
<p>Solent Go is a public transport smart card ticket which is managed by Solent Transport and allows unlimited travel on all bus operators in the Solent area, as well as offering products for the Gosport and Hythe ferries. Solent Transport have implemented a marketing campaign during early 2019 aimed at increasing the level of usage of Solent go via bus operators mobile apps. Work is also underway to extend Solent Go to South Western Railway train services. A review has also been undertaken which recommended development of a number of further improvements. Transforming Cities Fund bids/ funding from both Portsmouth and Southampton City regions may provide an opportunity to fund and deliver some of these improvements.</p>	
<b>RECOMMENDATIONS:</b>	
	(i) That the Joint Committee notes the content of this report. No decisions are sought by this report.
	(ii)
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	This action will help support ongoing efforts to secure improvements to rail services in Solent via the DfT's rail franchising process.
2.	
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
	N/A
<b>DETAIL (Including consultation carried out)</b>	
1	<b>Introduction</b> The development and promotion of shared measures which increase the

	attractiveness of public transport and sustainable travel is a key objective of Solent Transport. In collaboration with the South Hampshire Bus Operators Association (SHBOA), Solent Transport oversees Solent Go, a multi-operator bus and ferry travel Smartcard and mobile App covering the Solent area.
1.1	Solent Go was launched in 2014 with funding from the Department for Transport's Local Sustainable Transport Fund (LSTF), and built upon the earlier Solent Travelcard paper ticket which was introduced in 2007 by adding a smartcard, ferry and car club travel options, and additional "city zone" bus tickets for Portsmouth and Southampton
1.2	Solent Go was innovative when launched, being first multi-operator public transport smartcard in the UK outside of London.
1.3	As Solent Go approaches its fifth year of operation, several actions are planned or have been undertaken in order to maintain and increase usage levels and awareness, and enhance Solent Go's usefulness and attractiveness to the general public. Opportunities to take advantage of advancements in ticketing technology have been identified, together with potential means of funding these improvements. This report provides a summary of progress on these actions.
<b>2</b>	<b>Current Solent Go products and usage</b>  All Solent go tickets allow unlimited use of all bus operator's services within the area covered by the ticket, for the period the ticket is valid for.
2.1	Solent Go regional tickets allow travel throughout the Solent Transport area. Lower priced tickets are also available for travel limited to Southampton and Portsmouth city zones.
2.	Each of the Solent Go ticket types is available as either a 1-day, 7-day, 28-day or 13-week ticket.
2.3	Currently Solent Go is available in three formats: <ul style="list-style-type: none"> <li>• As an electronic ticket stored on a physical smart card similar to a credit/debit card. Tickets ("products") can be purchased online and loaded onto the card via the Solent Go NFC Android App; at Gosport and Hythe ferry boarding points or their ticket offices; or on some operators' buses (Bluestar, Xelabus, Wheelers). Products can also be purchased in person and loaded onto cards at participating travel shops and ferry ticket offices;</li> <li>• As an electronic ticket purchased through Bluestar, First and Stagecoach bus companies' own mobile ticket apps;and</li> <li>• As a paper ticket purchased on the bus from the driver (one day and seven day tickets only).</li> </ul>
2.4	There are also specific Solent Go multi-trip tickets for the Gosport and Hythe ferries and there is an "add on" available giving access to Enterprise Car Club vehicles in Southampton.

2.5	Between April 2017 and March 2018, a total of 9,302 Solent Go tickets of all types were sold, and a total 127,844 individual bus and ferry journeys were made by Solent Go ticket holders. The average Solent go ticket is used for 2.2 journeys per day.
2.6	These figures show that there is demand for a multi-operator ticket, but also that Solent Go is a niche product: the total estimated number of bus trips made in 2017/18 across the wider Solent area was about 48 million, with Solent Go used for less than 1% of these journeys.
2.7	Solent Go's pricing is higher than bus operators own day/season tickets, and pricing of these tickets has been driven down by recent competition in some areas, particularly in Southampton. This pricing premium, and the fact that some parts of Solent are only served by one bus operator (thus negating the benefits of multi-operator ticketing for customers in some areas) pushes down demand for Solent Go. Lower awareness of Solent Go compared to bus operators own tickets is also recognised as an issue.
2.8	Overall usage levels remain stable, with 70,318 journeys in the first seven months of 2018/19 made using Solent Go compared to 69,849 journeys in the same period for 2017/18. A notable change is the increasing use of smart/ M-tickets and declining use of paper tickets: in 2018/19 to date, 24% of all Solent Go ticket purchases were via smartcard/ M-ticket, compared to 13.8% over the same months in 2017/18. Whilst three out of four journeys are still made using paper tickets, the importance of paper tickets does appear to be declining.
2.9	During 2018, there were some changes to services and operators participating in Solent Go. Wightlink and Red Funnel had both participated in Solent Go from its launch, but both withdrew during 2018 as a result of low usage of Solent Go on their cross-Solent ferries.
2.10	Additionally, as a result of LSTF funding coming to an end, Gosport and Hythe Ferries withdrew Solent Go functionality from their ticket vending machines due to high costs of continuing to provide this service. However their ticket offices (which have long opening hours) continue to provide Solent Go card services.
<b>3</b>	<b>Current development actions- Marketing campaign and extension to South Western Rail</b>
	There are two areas of work currently prioritised in Solent Transport's 2018/19 business plan, which are increasing marketing and promotion of Solent Go following a period of limited promotional activity, and working to extend Solent Go to South Western Railway services in the Solent area.
3.1	A marketing campaign for Solent Go has been developed by Solent Transport and SHBOA and has been launched during February 2019. This campaign will target existing Solent Go paper ticket users with an aim of transferring 30% of these users to M-tickets, and also will seek to raise awareness of Solent Go amongst potential new customers, particularly including demographics with heavy reliance on mobile phones/ the internet; visitors; and current users of bus company's own apps.
3.2	The promotion is focused on selling the benefits and convenience of Solent Go for multi modal travel in the region, and the convenience and advantages

	of M-tickets: users can buy tickets any time, anywhere, as easily as they would download music, for example. The campaign will also seek to provide reassurance via simple step by step instructions of how to download a mobile ticket from an operator app.
3.3	<p>Promotion will consist of:</p> <ul style="list-style-type: none"> <li>• A “launch” event and press release distributed to local and industry specific press to promote the campaign;</li> <li>• A radio campaign with Wave 105 FM (chosen because of its geographical coverage of the Solent Go region) to promote Solent Go and its products; and</li> <li>• Promotion via Solent Go website and operator sites and social media.</li> </ul>
3.4	The promotion will include a competition to win an iPhone to link it to the mobile ticket product, and also a 50% discount offer for a mobile ticket (limited to one ticket per operator app during the promotional period) offered exclusively to Solent Go paper based ticket purchasers.
3.5	Regarding integration with rail, this has been an ambition of Solent Transport since Solent Go was launched (and it is felt that absence of rail products has weakened Solent Go) but has taken time to progress due to slow progress of the rail franchising process.
3.6	The South Western Railway franchise which launched in August 2017 has a commitment in its existing rail franchise to offer Solent Go rail products by the summer of 2019 (subject to DfT approval) as part of a wider set of commitments to implement smart ticketing. SWR also have obligations to promote local ticketing schemes including Solent Go.
3.7	SWR are aware of the need to work with Solent Go to fulfil their franchise commitments and recognise the benefits of interoperability with other other modes. Initial discussions suggested however that Solent Go rail products would be prioritised only when other SWR Franchise obligations are advanced, most notably rollout of their Tap2Go account based ticketing offer. Tap2Go- marketed to the public as “SWR Touch”- was launched across SWR’s network in September 2018 with significant promotion from January 2019.
3.8	As of January 2019 discussions had commenced between Solent Transport and SWR to start developing an implementation plan and assess options for operating models, back office systems, costs, products, roles and responsibilities for the Solent Go rail product. However it is unclear if the June 2019 target date will be achieved. Moving forward with this project will be a high priority going forward for Solent Transport’s officers.
<b>4</b>	<p><b>Review and development options</b></p> <p>Given the approaching five year anniversary of Solent Go, and advancements in the public transport ticketing field, Solent Transport commissioned Atkins consultancy to undertake a review of Solent Go’s current performance, setting out development options that could be carried forward in future.</p>

4.1	This review included analysis of usage data, consultation with various local stakeholders on their views on the current scheme and how it could be developed, and setting out a range of potential improvement options.
4.2	There was general acceptance from all stakeholders that Solent Go is a useful scheme that merits continuation and which could increase its usefulness and profile with some development. Implementation of a rail offer- as is being progressed- was felt to be a critical enhancement for development of Solent Go.
4.3	Given that Solent Go is considered a niche product with relatively modest uptake it is expected that the local bus operators will continue to support it as it does not significantly compete with their commercial offerings.
4.4	The introduction of contactless debit/credit card payment on public transport was identified as a key 'threat' to the viability of Solent Go. All the main transport operators locally now provide contactless payment (with rapid roll-out of contactless driven by funding from Hampshire County Council in 2017) and uptake by users is rapidly increasing.
4.5	There was a consensus amongst stakeholders that marketing of Solent Go needs strengthening and that this should be steered by some market research to better understand existing and/or potential users. It was also felt that increased marketing would be better linked to an improvement or a new product.
4.6	Consideration was also given to research by Transport Focus on what public transport users want from ticketing today.
4.7	<p>Atkins recommended development of a package of measures including:</p> <ul style="list-style-type: none"> <li>• <i>Developing a Solent Go carnet ticket</i> to offer a more flexible approach for people working more flexibly and not travelling daily or at set times. Carnets can also be used to provide incentives or discounts (eg an extra free day of travel when a given number of days are purchased). Awareness of carnets amongst passengers is growing which is expected to increase adoption.</li> </ul> <p>Atkins suggested that carnets ( A e.g. 5-day, 10-day, 20-day carnets) be introduced to replace the current daily, 7 day and 28 day offerings, with pricing on a sliding scale with improved value for customers based on the size of carnet. The introduction of a carnet would seem a natural trigger for improved marketing.</p>
4.8	<ul style="list-style-type: none"> <li>• <i>Enhanced Mobile App</i>: Reflecting the smart ticketing market in general and the growing societal prevalence of the smart phone, an improved Solent Go app/ M-ticket offering was identified as being needed. Whilst Solent Go currently offers an Android app, its functionality is limited and there is no iphone app at present.</li> </ul> <p>Provision of a full-function Solent Go app would help to reduce cost and complexity of the scheme: the smartphone app acts as the ticket vending machine, the payment system, and the information and marketing channel. The need for investment and maintenance of systems and infrastructure for the smart card product would also be</p>

	<p>reduced. However an assessment of the cost and complexity of providing payment facilities and other App enhancements is required to understand whether investment is justified.</p>
4.9	<ul style="list-style-type: none"> <li>• <b><u>Localised incentivisation:</u></b> Scope was identified to provide localised incentives for Solent Go users, for example through ‘flash’ offers providing a reduction on products and services offered by participating partners (eg a free tea or coffee in a café or reduced prices in a certain store on a certain day), or longer-term offers could be developed where passengers enjoy a reduced entrance fee to a leisure or tourist attraction upon production of a Solent Go card or App.</li> </ul> <p>Some similar existing incentives offered by bus operators- for example holders of Bluestar’s “Key” smartcard can access discounts and offers at a variety of restaurants, cafes and activity providers, whilst Marwell Wildlife offers holders of First bus tickets a discount for entry to their attraction. Extension of these to Solent Go holders could be explored.</p>
4.10	<ul style="list-style-type: none"> <li>• <b><u>Marketing and Branding:</u></b> Stakeholder feedback confirmed a need to re-invigorate publicity and marketing efforts, and that these should be focused around a new product or an improvement to the scheme which provides an incentive for uptake. The current marketing campaign is a first step towards this action.</li> </ul> <p>Stakeholder feedback suggests the Solent Go brand is recognised and stable providing a sound basis for future marketing initiatives, with no need for rebranding or other changes.</p>
4.11	<ul style="list-style-type: none"> <li>• <b><u>Efficiencies:</u></b> The significant cost for Ticket Vending Machine (TVM) provision, software and maintenance versus Solent Go sales precludes their widespread deployment and indeed cost of Solent Go TVM functionality was the reason for Gosport and Hythe ferries withdrawing Solent Go products from their TVMs. Increased usage would provide a better cost /use ratio – as would reduced supplier pricing.</li> </ul> <p>Discussions are underway with TVM software providers to establish whether lower cost solutions are available. More widespread use of M-tickets would also reduce these issues.</p> <p>Increased usage of Solent Go more generally was identified as the primary means by which efficiency is likely to be improved.</p>
4.12	<ul style="list-style-type: none"> <li>• <b><u>Mobility as a Service (Multi-Application) and integration with other public services:</u></b> Mobility as a Service (MaaS) is an emerging product which offers access to most or all non-car modes of travel in an area for a single payment by users. MaaS schemes are in their infancy but</li> </ul>

	<p>typically offer unlimited use of trains, buses, ferries, cycle hire, and often use of car club/ hire cars and taxis, for a single monthly subscription. Solent Go could form part of a broader MaaS approach to travel in the region.</p> <p>Solent Go also offers potential for integration of other services via a single card/ app/ payment method, for example tolls (e.g. Itchen Bridge), car parking, (on street Pay &amp; Display or council operated), libraries and leisure, visitor and tourist attractions. Southampton City Council's Smartcities card already offers much of this functionality, but only within Southampton.</p>
<b>5</b>	<p><b>Opportunities to deliver improvements</b></p> <p>Clearly a key constraint to implementation of any of the above recommended enhancements is availability of funding. The impact of ongoing reductions to all Council's budgets means it is unlikely that substantial revenue funding could be provided from Solent Transport member's local resources to deliver the improvements described above.</p>
5.1	<p>Therefore – as with many transport enhancements- it is likely that external funding would be required to deliver the enhancements identified. The Portsmouth and Southampton City Region bids to the Transforming Cities Fund has been identified as a potential opportunity to secure funding for some of these improvements (or other improvements to multi-operator, integrated ticketing).</p>
5.2	<p>Whilst DfT requires that both city regions Transforming Cities bids are primarily focused on using capital funding to deliver physical infrastructure improvements which increase speed and reliability of key public transport corridors, as well as interchange improvements which bind these corridors together into a true network, enhanced and innovative ticketing options will clearly support and add value to the objective of enhancing networks and multi-modal travel.</p>
5.3	<p>There is a need to make further and more wide-reaching efforts to enable users to travel using multiple bus operators services without incurring substantial financial penalty or inconvenience for doing so, as sometimes occurs at present. Discussions are ongoing with SHBOA about methods by which this could be achieved- enhancement of Solent Go being one of the potential options.</p>
	<p><b>Conclusion</b></p> <p>This report has provided an update on current operation of the Solent Go public transport smartcard scheme which is operated by Solent Transport. At present, whilst a specialist product, Solent Go's usage levels are stable and viable, and it is supported by all the key stakeholders involved in its operation.</p>
	<p>Usage of mobile ticketing is increasing. After only limited marketing for several years, a campaign is currently underway to reinvigorate awareness of Solent Go and further increase adoption of M-tickets. Work is also</p>

	underway to deliver the SWR rail franchise obligation to launch a Solent Go rail product.
	Looking to the future, a review of Solent Go has identified a package of enhancement options, particularly focused on further enhancing M-ticketing and the Solent Go app, launching carnet tickets, and further marketing and promotion measures to increase the scheme's relevance and attractiveness- although it is recognised that even with these measures, the commercial environment means Solent Go is likely to remain a relatively niche product.
	The Transforming Cities Fund (TCF), for which both Portsmouth and Southampton City regions are developing bids (and for which Members of this Committee are central to the governance), has been identified as the best potential means of securing funding to deliver these enhancements. If a commitment to develop these Solent Go enhancements can be agreed between Solent Transport, SHBOA, and the bidding authorities, they would be expected to strengthen bids to the TCF from both city regions, as well as outcomes that TCF projects (if funded) would deliver.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
	Nil- no capital or revenue costs associated with this decision
<b><u>Property/Other</u></b>	
	Nil- no property considerations associated with this decision
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
	<b>S.111 Local Government Act 1972</b>
<b><u>Other Legal Implications:</u></b>	
<b>RISK MANAGEMENT IMPLICATIONS</b>	
	No tangible risks attached to this decision.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
	Not directly applicable.

<b>KEY DECISION?</b>	N/A
<b>WARDS/COMMUNITIES AFFECTED:</b>	Affects all parts of Solent area – Solent Go covers full extent of Solent Sub-region



SUPPORTING DOCUMENTATION

**Appendices**

1. None

2.

**Documents In Members' Rooms**

1. None

2.

**Equality Impact Assessment**

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.

No

**Privacy Impact Assessment**

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.

No

**Other Background Documents**

Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.

2.