

**UPDATE REPORT OF SERVICE DIRECTOR FOR FINANCE,
INFRASTRUCTURE & IMPROVEMENT AND SECTION 151 OFFICER****PLACE – SMART TICKETING PLATFORM****Purpose of the Report**

1. To provide Members with an update on the smart ticketing platform procurement and contracts awarded

Background

2. Nottinghamshire County Council originally went out to tender for a smart ticketing platform in 2005. A contract has been in place since then and was due to come to an end in April 2021.
3. The smart ticketing platform allows eligible people to apply for a concessionary travel pass to travel on buses and trams after 9:30am for free. The system is currently used by around 170,000 people per year.
4. As well as producing cards for the concessionary travel scheme the supplier also produces school travel passes and staff ID cards. Around 60,000 cards are produced per annum.
5. Since the original procurement new suppliers have entered the market and systems have more functionalities including stronger security to protect data.

Procurement

6. In 2019 Corporate Procurement started work with Transport to go out to tender.
7. A decision was made to establish a framework agreement that would be available to other Contracting Authorities. The reasons for this were:
 - a. Income potential with a rebate of 0.5% based on value of Call Off contracts transacted under the Framework by other contracting authorities.
 - b. Secure commercial value and quality of service delivery, whilst undertaking a fair and transparent procurement process.

- c. A flexible and scalable solution that supports changing service requirements over time, such as the introduction of commercial cards.
 - d. Set catalogue pricing for additional service provision.
8. Whilst the framework agreement is in place for 4 years, call off contracts can be for a 5 year initial term with an optional extension of 5 years. This was essential due to the time and investment needed in implementing any new system.
9. The framework was split into 2 Lots:
- a. Lot 1 - Managed Service for:
 - i) ITSO Host Operator Processing System (HOPS) and Asset Management System (AMS)
 - ii) Card and Customer Management System (CMS)
 - iii) Customer facing internet Portal
 - b. Lot 2 – Card production (includes staff cards as well as concessionary travel)
10. An Invitation to Tender was issued in October 2019 and in November 2019 we received the following number of bids:
- Lot 1 – 3 bids
 - Lot 2 – 5 bids
11. The bids were all a similar level as far as quality was concerned but pricing differed significantly.
12. Contracts were awarded to:
- a. Unicard for Lot 1
 - b. EUClid for Lot 2
13. The savings delivered for Lot 1 reduced the annual cost of the system by 50% including implementation costs. The price of cards went down by around 15p per card
14. Catalogue pricing is now in place for any enhancements that may be required in the future
15. The system has been delivered on time and within the costs in the supplier's bids

Other Contracting Authorities

16. Whilst no other contracting authorities have used the framework so far there have been several enquiries over the last few months and the supplier is actively marketing it.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

That Members consider the need for further updates and at what frequency.

Nigel Stevenson

Service Director – Service Director for Finance, Infrastructure & Improvement and Section 151 Officer

For any enquiries about this report please contact:

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Constitutional Comments (KK 11/02/2022)

The proposal in this report is within the remit of the Finance Committee.

Financial Comments (KRP 11/2/22)

This report provides an update on the procurement process. As noted in the report this delivered savings compared to the previous contract costs.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All