

National Ticketing Solution (NTS)

Enabling new, easy ways to pay for
public transport across New Zealand.

For the Minister of Transport, February 2025

National Ticketing Solution

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1. What is the National Ticketing Solution?

- The National Ticketing Solution (NTS) is a partnership between the New Zealand Transport Agency (NZTA) and 13 Public Transport Authorities (PTAs) to provide a modern ticketing solution for all public transport in Aotearoa New Zealand. The public-facing brand of the NTS is Motu Move.
- Customers will be able to pay for public transport using contactless debit or credit cards and digital payment methods such as Apple Pay and Google Pay on mobile phones and smart watches, as well as a prepaid Motu Move card and cash in some areas. The key objective is to make public transport more accessible and convenient for all travellers.
- The programme will deliver a single national public transport ticketing and payment solution that will replace the four disparate regional solutions in place today. By making payments easier, the NTS will encourage more people to use public transport more often.
- Contracts with suppliers were entered into between October 2022 and July 2023:
 - Cubic Transportation System, based in San Diego, USA, as the ticketing solution provider
 - Mastercard, as the transit card provider
 - ASB Bank, as the merchant acquirer
 - Activata NZ Ltd, as the retail network manager
 - One New Zealand, as the telecommunications provider.
- A participation agreement (P2 agreement) between New Zealand Transport Agency (NZTA) and 13 Public Transport Authorities (PTAs) was executed in October 2022. This agreement sets out the partnership, governance, funding, and operational arrangements to procure, build, implement and manage the NTS programme over 14 years.
- The 2024 Government Policy Statement on Land Transport states:

“funding will be used to deliver the National Ticketing Solution to improve the efficiency of public transport. Funding for upgrading, maintaining, or operating Public Transport Authorities’ ticketing systems should only be approved if they are actively working towards delivering, transitioning, or operating the National Ticketing Solution in partnership with the NZTA.”

2. Key Benefits

New Zealand	Customers	Operators
<ul style="list-style-type: none">• An affordable and efficient public transport ticketing network• Least cost regional and national investment• More accessible and convenient customer experience• Proven platform provides access to future innovation & services• Provides better data for operational and investment decision making and service improvement• Platform capable of being expanded to cover other forms of payments e.g. tolling.	<ul style="list-style-type: none">• Easy ways to pay for public transport• Greater choice of payment options• Automatically charges the best fare• Provides a modern ticketing system• Accessible for both customers and international visitors.	<ul style="list-style-type: none">• Provides quality data to optimise public transport services• Offers flexibility for easier application of national and regional fares• Creates economies of scale for procurement and reducing the volume of driver assisted transactions.

3. Programme Costs

The total cost of the programme is \$1.338bn over a 14-year period, comprising circa \$530m for procurement, design and implementation, and circa \$830m for ongoing operational costs over 10 years. The total budget can be broken down as follows:

- \$474m for the ticketing solution (Cubic) for solution provision plus support and maintenance.
- \$204m for Financial Service Provider contracts (e.g. banking services, prepaid card provision, retailer network management) i.e. capex and opex for:
 - ASB as merchant acquirer responsible for commuter transactions
 - Mastercard to oversee the development and distribution of transit cards, including holding balances on transit card accounts
 - Activata responsible for the retail network i.e. distribution and administration of transit cards, including topping up card balances
- \$359m for additional costs to the 13 Public Transport Authorities (staff and transition expenses).
- \$302m for programme delivery and establishment and operations of the TTP function, a new national shared services organisation to be established within NZTA to operate and support the NTS.

Separate regional systems will incur higher costs and less benefits than the NTS programme

The alternative to the NTS is to upgrade the 4 disparate ticketing systems across New Zealand at a cost of around \$1b over 14 years with no integration between them to allow regional travel (apart from Bee Card inter-regional use), no consistent national information, and no ability to implement national policy initiatives. The estimated costs amount to total capital costs of \$185m and total operating costs of approx. \$900m.

4. NTS Partnership Model



NZTA & PTAs Partnership

Delivering the national ticketing system, working in partnership to ensure the implementation and ongoing operations are successful. This includes,

- Creating visibility and signposting key decisions
- Actively managing stakeholder confidence.

NZTA

Providing TTP services, contracting and managing the relationships with NTS Service Providers.

Managing and making decisions in relation to the day-to-day operations.

Public Transport Authorities

Greater Wellington Regional Council, Auckland Transport, Environment Canterbury, and a **Regional Consortium** of ten medium and smaller councils are all involved, to ensure both national and regional concerns and interests are captured.

Regional Consortium that currently use the Bee Card. Those councils are Northland Regional Council, Waikato Regional Council, Bay of Plenty Regional Council, Taranaki Regional Council, Gisborne Regional Council, Horizons Regional Council, Hawkes Bay Regional Council, Nelson City Council, Otago Regional Council, and Invercargill City Council.



Service providers

Ticketing

Cubic is the ticketing services provider, responsible for building and delivering the ticketing solution

Financial

Mastercard will provision the transit cards

Activata as retail manager is responsible for building and maintaining the retail network in collab with the needs of PTAs

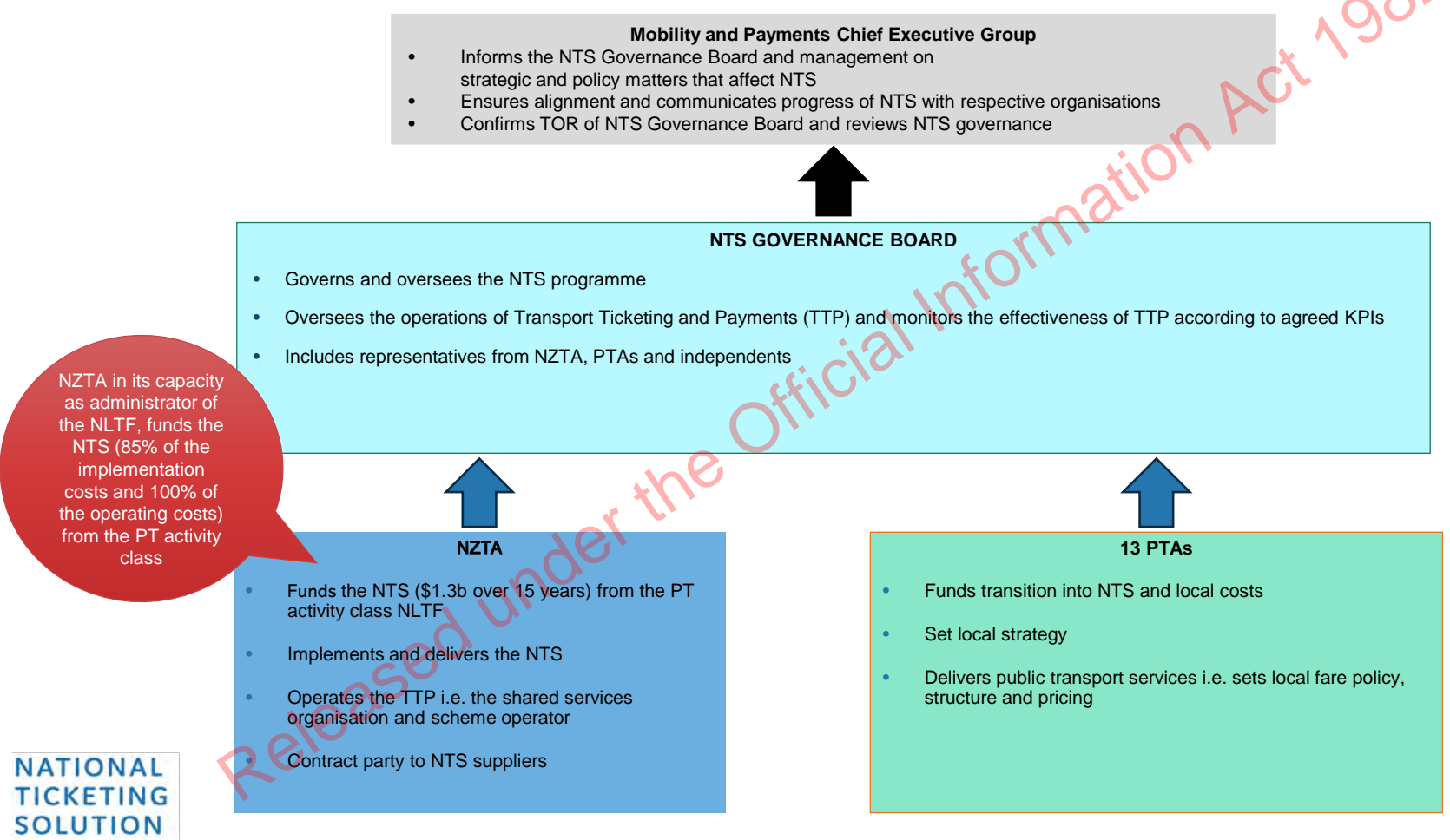
ASB are the Merchant Acquirer

Connection

One NZ will provision the telecommunication connections



5. NTS Governance and role of Participants



6. Membership of Governance Bodies

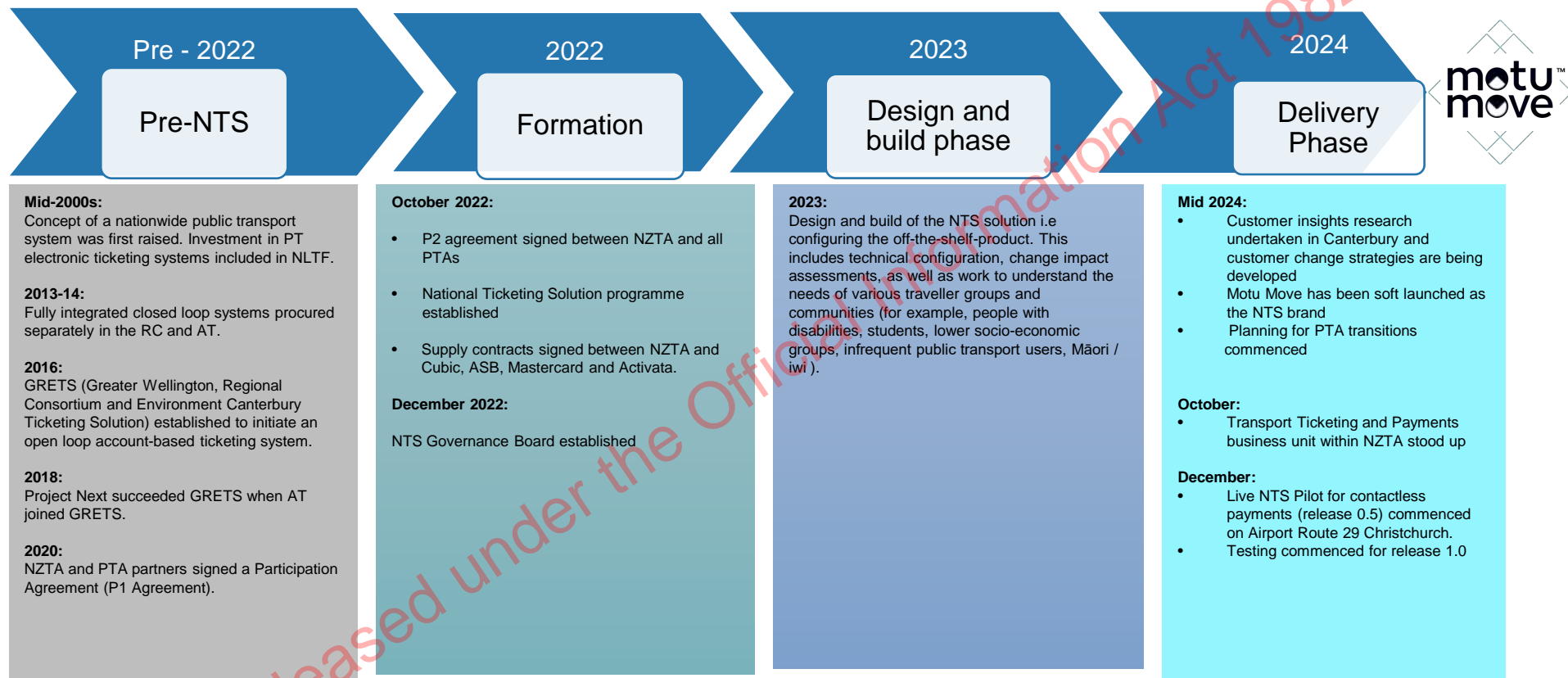
Mobility and Payments Chief Executives Group

Brett Gliddon, NZTA (Chair)
Dean Kimpton, AT
Nigel Corry, GWRC
Dr Stephanie Rixecker, ECan
Fiona McTavish, BOPRC

NTS Governance Board

Rachel Reese, independent Chair, (former Mayor of Nelson)
Sarina Pratley (Chief Customer & Services Officer), NZTA
Liz Maguire (Chief Digital Officer) NZTA
Roger Jones (Chief Technology Officer) AT
Stacey van der Putten (Director Public Transport and Active Modes), AT
Samantha Gain (Group Manager Metlink), GWRC
Giles Southwell (Director Corporate and Public Transport Services), ECan
Mat Taylor (General Manager Corporate) BOPRC
John Bell, independent
Claire Stewart, independent
Kim Ngarimu, independent

7. NTS journey: how did we get here?



8. NTS brand – Motu Move

The public-facing brand for the NTS is Motu Move. This will be used in all customer communications e.g. regional launches, website, app, prepaid cards and retailer collateral.

- Used for ticketing and payments only, not public transport services, i.e. brands such as Metlink in Wellington.
- Does not replace any existing PTA public transport brands.
- Rated as trustworthy, welcoming, engaging, open and honest during brand testing.



9. NTS operations – Transport Ticketing and Payments

TTP was stood up as a business function on 7 October 2024 within NZTA's Customer & Services group.



Transport Ticketing and Payments (TTP)

A centralised support function

Future proofing

Scalable support model for future public transport payment needs.

Relationships

Simplified supplier relationships through national management.

Support

Centralised customer support for ticketing and payments needs.

Efficiency

Cost savings and operational efficiencies.

TTP is responsible for:

Ticketing and payment support

The TTP is the service aggregator for the PTAs, and provides NTS services to the PTAs as a part of BAU.

Technical Solution support

The PTAs will interact with the TTP for any NTS queries, issues and escalations.

Contracts

NZTA will be the contract holder with the Ticketing Solution Provider and the Financial Service Providers. TTP will manage these contracts and be their point of contact.

Assurance

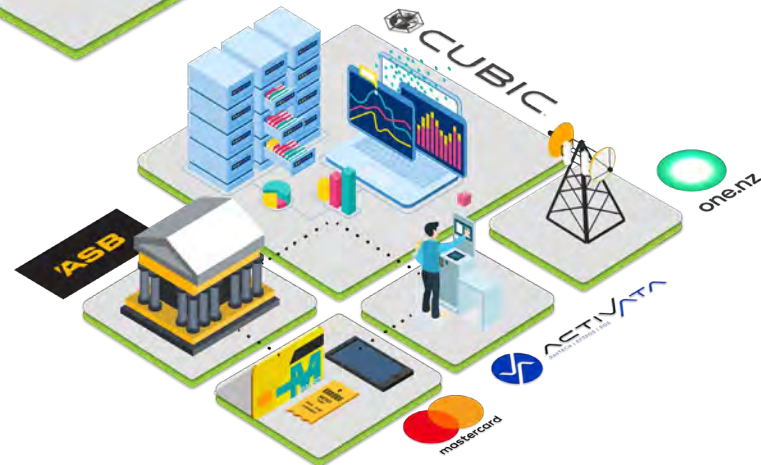
TTP's management processes will provide support and assurance to the PTAs.

Governance

TTP's management processes will provide support and assurance to the Participants.

Financial operations

The TTP will facilitate the financial reconciliation process.



10. Auckland's transition to NTS

Auckland will migrate to NTS in three stages for a smoother customer transition:

Auckland Open Loop November 2024

- Implementation of contactless payments in AT's current (non-NTS) system.
- This enables contactless payments on adult non-concession fares alongside pre-paid HOP cards.
- While this was AT's project, NZTA provided \$20m to fund this project.

Early Integration

s 9(2)(j)

- NTS equipment will be integrated in AT's back-office.

• s 9(2)(j)

• s 9(2)(g)(i)

Full integration

s 9(2)(j)

- AT will transition fully into the NTS and migrate from the current HOP system.
- Additional NTS customer features will be available such as concessions, Motu Move Transit Cards and digital channels alongside contactless payments.