# National Ticketing Solution (NTS)

## Monthly Report for April 2023

Issued on 27 April 2023

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WAKA KOTAHI NZ TRANSPORT AGENCY

Greater Wellington Te Pane Matua Taiao

Environment Canterbury Regional Council Kaunihera Taiao ki Waitaha

AT

Regional Consortium

# NTS Programme Executive Summary

Overall the programme is progressing to plan and we are on track to deliver Phase One – Environment Canterbury (ECan) by June 2024. Work is progressing with ECan in earnest to complete its transition planning and associated plan. A number of workshops are planned for early May 2023 to work through various decisions. This is expected to be finalised by the end of May 2023 for reporting to the Governance Board in June 2023.

section 9(2)(b)(ii) [redacted]

section 9(2)(g)(i) [redacted]

section 9(2)(g)(i) [redacted]

section 9(2)(b)(ii) [redacted]

We have appointed a partner to assist with Māori engagement and the intent is to do the initial planning in May 2023 with start of engagement in June 2023, with a roadmap on how the National Ticketing Solution (NTS) will address any Māori priorities to be ready by July 2023. Discussions are also planned with Iwi/Māori in the Canterbury region over the next couple of months.

AT has begun consultation on a new organisational structure which is looking to reduce staff headcount. This is expected to be finalised by end of June 2023. While there is no immediate effect, any such change can be destabilising and take focus away from tasks at hand. We are working with the AT PTA lead and others to manage this risk.

**Month Ahead**:

- The finalisation of ECan business strategy and plan.
- Finalisation of the integrated programme plan after the ECan plan is finalised.
- Greater Wellington Regional Council (GWRC) equipment order to be placed.
- Execution of Financial Service Provider Contracts.
- Initiation of Māori engagement.
- section 9(2)(g)(i) [redacted]
- Regional Councils plan for transitions.
- Work continues on customer self-service channels design

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# NTS Programme Update

**HEALTH INDICATOR**

Significant Issue or Impact | Negative Impact | On Track | Improve | Neutral | Worsening

**BUDGET**

The forecast continues to be refined. We are working with Waka Kotahi Finance and PTAs to confirm their budgets. section 9(2)(g)(i) [redacted]. The path to green requires PTA transition cost confirmation.

**SCOPE**

We are working on finalising the AT Early EMV scope. Once that is completed, it will be incorporated into the integrated plan.

**QUALITY**

Independent Quality Assurance (QA) and Technical QA evaluations and partner have been appointed. A QA resource is being sought for the duration of the programme. Gateway assessment scheduled for early May 2023. Horizon 1 activities have been completed and work has commenced on Horizon 2 recommendations.

**RESOURCE**

Onboarding of additional resources required to support the Design Phase continues, however there are still gaps. Cubic resource recruitment is progressing. Resource Plan is being finalised.

**RISK**

The quantitative risk assessment report has been received. The analysis confirms that the budget will remain within the funding envelope of $1.3 billion. The strategic risks have been reviewed by the Governance Board. The risk register, monitoring and management activities will continue.

**SCHEDULE**

Cubic, PTAs and Waka Kotahi teams continue to work together on fine tuning the integrated programme schedule. The plan for Ecan is progressing. An updated high level view has been created for review including dependencies and milestones. This also includes forward decisions for Governance Board. The path to green requires integrated plan completion

**ENGAGEMENT**

Work is being progressed with Māori and Iwi stakeholders, and work on the engagement plan is progressing.

| WORKSTREAM | RAG | COMMENTARY |
|---|---|---|
| PROCUREMENT & COMMERCIAL | | Work continues to execute the Transit Card Program Manager Master Services Agreement (MSA), and finalisation of the Merchant Acquirer MSA. section 9(2)(b)(ii) [redacted] with the expectation that we will place an order for GWRC in the coming weeks. section 9(2)(g)(i) [redacted] |
| CUSTOMER | | As agreed, we are continuing development of a brand architecture. Along with the brand architecture, the focus continues with supporting capability and intersections with the Māori strategy, that was approved at the March 2023 Governance Board meeting. Ongoing collaboration with ECan on their transition plan to incorporate what is required for testing. This in turn assists with the creation of a plan for the next 12 months for the Customer work stream. |
| CHANGE | | Change management is a real focus with change network session currently being scheduled. We continue to engage with GWRC and ECan, with attendance at the workshops run by the Business Enablement Services team. The next step from these is a plan for Transport Ticketing & Payment (TTP) engagement with all the PTAs. The team are also focused on supporting the Māori engagement work and the National Marketing and comms approach. |
| Financial Service Providers (FSP) | | The FSP team have completed the final configuration workshops, and have formally handed over all the points from the workshops to Cubic. This has allowed Mastercard Pre-Paid Management Services (MPMS) to now complete the formal set up of the transit card, which is a big milestone for the FSP stream. Work continues with the branding team, to align the card development with dates for branding. |
| GOVERNANCE | | The Māori engagement strategy has been developed and presented to Governance Board, and this was endorsed so engagement is now underway with support from the Customer and Change workstream. |

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# NTS Programme Update

**HEALTH INDICATOR**

Significant Impact | Negative Impact | On Track | Improve | Neutral | Worsening

| WORKSTREAM | RAG | COMMENTARY |
|---|---|---|
| PMO | | Our Quality Assurance Plan was endorsed by the Governance Board. Feedback from the PTAs has been received and currently being reviewed. Independent QA/Technical QA partner confirmed with work to commence in May 2023. A Gateway assessment is planned for early May 2023. With the programme restructure now settled, budgets per project are being set-up for improved reporting and tracking. As the final project managers and resources come together across the programme, each project is working on their initial drafts of their PMPs, and progress is well underway and being facilitated by the PMO. High-level roles and responsibilities have been drafted as well as the One Team action plan. |
| PHASE 1 - ECAN | | The ECan subject matter experts are beginning to experience higher time commitments on the programme, as we commence the ECan configuration workshops. Work continues with the Business Service team to confirm the services needed with a focus on the complex services with the longest lead times. The Focus area model is driving the work on the transition strategy and plan, and the team have engaged with the programme regarding benefits realisation planning for ECan implementation, as this enables the change story and identifies the close-out objectives. The full ECan plan is expected by the end of May 2023. |
| Transport Ticketing & Payments (previously SSO) | | Socialisation of the priority service blueprints is underway across the programme, along with change management activities including the comms and change management approach that has now been approved. Working closely with the PTAs and Transport Ticketing & Payments (TTP) to align the budget with the detailed business case, and also supporting business services and transition planning with the PTAs. Engagement sessions have provided clarity on the scope and purpose of the TTP stream and how it impacts stakeholders, which will feed into our on-going change activities. |
| SOLUTION DELIVERY | | Mobilisation is largely completed for ECan and design workshops ongoing. Some further work is required for PTAs that are to be transitioned in the future. Good progress is being made and we are working with Cubic on the mobilisation. The next two months are expected to be extremely busy. section 9(2)(g)(i) [redacted] |
| CORE DELIVERY | | We continue to have the robust conversations with Cubic regarding quality, scope and expectations of delivered artefacts, specifically PDR (preliminary design review) documents. This is not expected to cause any delays to the ECan go-live date. National Configuration sessions have completed, as have the ECan configuration workshops. |
| EARLY EMV | | MoU negotiations with AT have completed with an agreed checkpoint at end of Design. The MoU with Cubic is also finalised and signed-off. Negotiations with Cubic on the build of the AT Early EMV solution have commenced. The technical design workshops are planned for early May 2023 with Waka Kotahi, Cubic, AT and Ground Transportation Systems. |
| NETWORK & SECURITY | | A successful two-day Payment Card Industry – Data Security Standard (PCI-DSS) Discovery Workshop was facilitated between Waka Kotahi/Cubic and AT. Cubic are finalising their recommendations. Draft PCI Plan, and Security Plan have been circulated for review internally to be finalised next month, and momentum has begun for the Cloud risk assessments. |
| CONCESSIONS | | Project scope and high-level plan has been agreed. Engagement underway with key external partners – ECan, AT, the Ministry of Social Development, and the Ministry of Education, and resourcing continues for the project team. There is a focus on understanding Cubic's solution and commercial position for automated concession eligibility validation and determining our position on automated concession eligibility. The project is Amber until we have alignment on the capability Cubic solution provides compared to what is required. |
| IMPLEMENTATION | | The Waka Kotahi Implementation project has mobilised and developed its Project Management Plan. Planning activities for Customer Self Service have initiated and Waka Kotahi integration requirements gathering have started. Customer Self Service is a focus with the stakeholder group mobilised and working to achieve design collaboration for the website and mobile app. The team continue to participate in planning, configuration and integration sessions with Cubic, Mastercard and the other project workstreams. |
| DESIGN AUTHORITY DECISIONS | | Decision to move forward with One NZ (formally Vodafone) to provide telecom services to NTS. This is leveraging the existing Waka Kotahi agreement. |

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# NTS High Level Roadmap (1/2)

Legend: Dependency | Activity | Critical Activity | Milestone

Short Term | Longer Term

August – December 2023 | 2024 Q1

Workstreams

Mobilisation
- Programme
- Resource

Solution Delivery
- Core
- Network & Security
- FSP
- Concessions
- Balance Transfer

Customer
- Customer Experience
- Brand

section 9(2)(g)(i)

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# NTS High Level Roadmap (2/2)

Legend: Dependency | Activity | Critical Activity | Milestone

Short Term | Longer Term

Workstreams

March | August – December 2023 | 2024 Q1

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**Change**
- Change
- Comms & Marketing

**Shared Services Organisation**
- SSO Implementation
- WK Implementation

**PTA Implementations**
- Environment Canterbury
- AT Early EMV
- Greater Wellington
- Auckland Transport
- Regional Consortium

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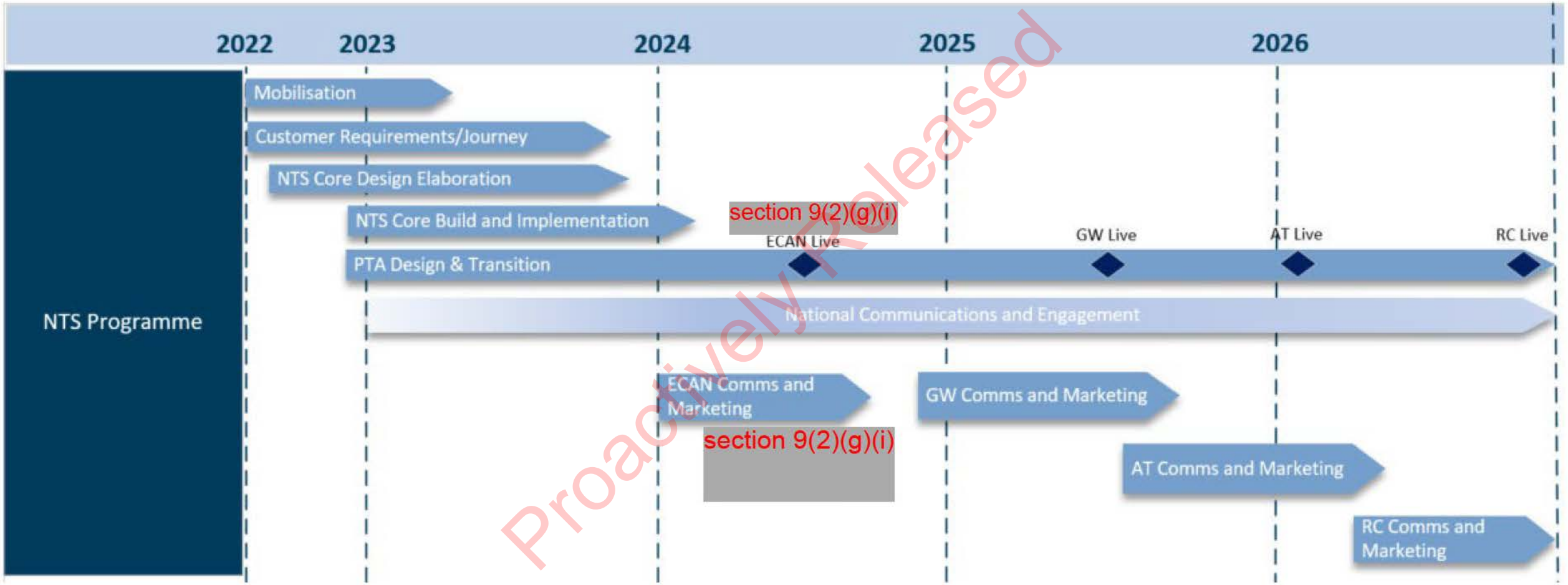
# Programme Schedule

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# NTS Programme Risk

**The risks highlighted on the following slides were identified by the NTS Governance Board in a workshop with the Waka Kotahi Risk & Assurance team. These risks are strategic and monitored regularly. Their risk likelihood and consequence rating are based on the Waka Kotahi rating matrices shown below.**

| Risk Likelihood | | |
|---|---|---|
| Description | Score | Definition |
| Almost Certain | AC | Expected to occur in most circumstances, e.g. 90% probability |
| Likely | L | Will probably occur in most circumstances, e.g. 75% probability |
| Moderate | M | Could occur at some stage, e.g. 50% probability |
| Unlikely | U | May occur at some stage, e.g. 25% probability |
| Rare | R | May occur only in exceptional circumstances, e.g. 5% probability |

| Consequence Ratings | | | | | |
|---|---|---|---|---|---|
| Factor/ Score | Catastrophic - 5 | Major - 4 | Moderate - 3 | Minor - 2 | Insignificant - 1 |
| Health & Safety | Loss of life and/ or total/ permanent disability | Lost time injury with 1+ week time off | Lost time injury with up to one - week time off | Injury with less than one day time off | Incident but no injury |
| Disruption to Services | Serious disruption to services for over 4 weeks | Major disruption to services for over 2 weeks | Disruption of services for 1 week | Disruption of services for 1-2 days | Short term inconvenience |
| Personnel | Staff turnover exceeds 30% p.a. and/ or loss of key personnel | Staff turnover 20% to 30% p.a. and/ or loss of key personnel | Staff turnover 10% to 20% p.a. | Staff turnover 5% to 10% p.a. | Staff turnover 0% to 5% p.a. |
| Legal/ Contractual | Waka Kotahi fined/ contractual claim or dispute $5m or greater | Waka Kotahi fined/ contractual claim or dispute between $1m and $5m | Waka Kotahi fined/ contractual claim or dispute $250,000 and $1m | Waka Kotahi fined/ contractual claim or dispute between $50,000 - $250,000 | Waka Kotahi fined/ contractual claim or dispute below $50,000 |
| Image/ Reputation | Negative multi-media nationwide coverage >1 week | Negative multi-media nationwide coverage 2 days to 1 week | Negative multi-media nationwide coverage for up to 2 days | Minimal negative multi-media regional coverage | Minimal negative multi-media local coverage |
| Environmental | Complete loss of several important natural environments/ ecosystems | Complete loss of an important natural environment/ ecosystem | Major impact on valued natural environment | Some impacts on significant natural environment | Minor impacts on natural environment |
| Project Costs | Total Project cost over-run greater than 30% of total Project cost | Total Project cost over-run greater 20- 30% of total Project cost | Total Project cost over-run 10% - 20% of total Project cost | Total Project cost over-run up to 10% of total Project cost | Total Project cost over-run within delegated authorities. |
| Project Duration | Project overrun by 50% or more in duration | Project overrun by 30% to 50% in duration | Project overrun by 20% to 30% in duration | Project overrun by 10% to 20% in duration | Project overrun of up to 10% in duration |
| Project Benefits/ Scope | Project fails to deliver 30% to 40% of key benefits/ agreed deliverables | Project fails to deliver 20% to 30% of key benefits/ agreed deliverables | Project fails to deliver 10% - 20 % of key benefits/ agreed deliverables | Project fails to deliver 5% to 10% of key benefits/ agreed deliverables | Project fails to deliver 0% to 5% of key benefits/ agreed deliverables |

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# Strategic NTS Programme Risks

| Risk Title | Causes | Rating | Treatment Actions | Action update |
|---|---|---|---|---|
| Customers not included on the journey | • Lack of understanding of the customer<br>• Lack of ownership of the customer<br>• Poor approach to customer engagement and communications<br>• The NTS Programme underestimates the complexities for meeting customer needs<br>• Roles and responsibilities within the programme are not clear<br>• The customer is not at the centre of the design approach for the Programme | Consequence: Major<br>Likelihood: Moderate<br>Risk Level: High | • Add additional capability to ensure the customer is the centre of design within the programme<br>• Ongoing effective ownership of the customer<br>• Clear roles and responsibilities to manage the customer<br>• A robust Change Management Strategy and Plan<br>• A robust Stakeholder Management Strategy and Plan<br>• A robust Communications Strategy and Plan | 19/4/23 Customer journey mapping has been completed.<br>Customer research workshops have been completed in the main centres and the outputs to be used in design.<br>The Change management plan has been completed to support customer and stakeholder management. |
| Inadequate change maturity and capability | • The scale of change requirements are not adequately identified<br>• Poor change management<br>• Inadequate stakeholder engagement<br>• Inadequate capacity/capability assessment for PTAs<br>• Lack of suitable resources<br>• Not taking a national approach<br>• Change and Comms with limited or no capability and capacity<br>• Limited Change & Comms manager talent in NZ market - may need to upskill NZ talent to bring up to required skill level | Consequence: Moderate<br>Likelihood: Moderate<br>Risk Level: Medium | • Establish common change frameworks for all NTS programme change activity<br>• Support all PTAs and partners to achieve successful, sustainable, nationally aligned change<br>• Collaborate with the PTAs and partners to plan and implement the national and regional communications<br>• Agree comms guidelines to be used in NTS communications and marketing<br>• Engage PTAs to develop a national education and awareness campaign platform that can be localised | 19/4/23 – Change management planning has identified the approach for change and recognises the risk around resourcing. This will be managed at project level. Ongoing discussions are being held. |
| Ongoing service delivery and governance model does not meet the strategic needs of the partners | • Poor communications<br>• Poor service design<br>• Inadequate partner testing<br>• Strategy/business processes are complex and or mis-understood<br>• Lack of visibility of collective strategic needs<br>• Lack of clarity around roles and responsibilities<br>• Strategic mis-alignment<br>• Lack of resources<br>• Poor knowledge | Consequence: Moderate<br>Likelihood: Unlikely<br>Risk Level: Medium | • Service design well socialised and understood<br>• Partners involved in service design<br>• Key decisions agreed at Governance Board level<br>• Strategic intent aligned<br>• Outcomes and principles agreed | 19/4/23 - Development of the service blueprints and business services is continuing including socialising with partners for feedback and input. ECan has confirmed some of its business services at its April 2023 Steering Committee meeting and the ECan service blueprint review is scheduled for May 2023. |
| Effective engagement with Māori is not undertaken across the NTS programme. | Lack of understanding of Māori and Iwi outcomes<br><br>Consequences<br>• Rework required to realign with Māori outcomes<br>• Māori and Iwi outcomes are not delivered across the programme | Consequence: Moderate<br>Likelihood: Moderate<br>Risk Level: Medium | Establish an effective engagement plan to understand Māori/Iwi interest in and desire to have a stake in the NTS outcomes | 19/4/23 – agreement on way forward developed and now underway. |

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# Strategic NTS Programme Risks

| Risk Title | Causes | Rating | Treatment Actions | Last Update |
|---|---|---|---|---|
| Benefits and national alignment goals identified through the Detailed Business Case are not realised. | • National elements are not embraced<br>• Differences between local and national outcomes cannot be resolved<br>• Confusion over accountability for aspects of the solution<br>• Lack of clarity over roles and responsibilities between PTAs and Waka Kotahi<br>• Inability to agree on operating model<br>• Poor stakeholder management<br>• Lack of communications to partners leads to a lack of buy-in<br>• Failure to integrate all partners properly into a unified programme<br>• Multiple partners creates complexity | Consequence: Major<br>Likelihood: Unlikely<br>Risk Level: Medium | • Feedback sought from participants and work is underway to capture and articulate those wider benefits within the Detailed Business Case<br>• Integrated approach to design and delivery through workshops with Cubic and PTAs<br>• Assurance work over the lifetime of the NTS to ensure benefits are being captured, analysed, and reported<br>• Planned Independent Quality Assurance and Gateway reviews to ensure benefit realisation is on track to be delivered<br>• Schedule post implementation reviews<br>• Stakeholder management strategy and plan developed<br>• Ongoing working groups that include the PTAs<br>• PTA representatives integrated into the Programme Delivery<br>• Benefits realisation plan to be completed that includes a benefit measurement approach | 19/4/23 - Draft plan completed with approach and framework to be presented to PLT in April 2023.<br>Benefit numbers to be reviewed with more accurate costing and forecasts. |
| Public acceptance of NTS in light of other public transport challenges. | section 9(2)(g)(i) | | | |
| Achievement of national outcomes may be compromised through a variety of potential changes, some of which are outside the immediate control of the programme | • A key participating PTA withdraws from the NTS, undermining the viability of a national solution<br>• Changes from 2023 general election<br>• Solution no longer meets PTA needs<br>• Local body elections in 2022 and changes impact delivery priorities<br>• Cubic does not deliver on time - leading to overall delays and change<br>• PTA system developments are delayed (interface issues with PTA systems are clunky or cannot be delivered)<br>• Waka Kotahi does not deliver the required solution items within the agreed timeframes<br>• The suppliers are unable to deliver the solution in line with the contract | Consequence: Catastrophic**<br>Likelihood: Moderate<br>Risk Level: Extreme<br><br>(**Consequence rating**: if Auckland/ Wellington pulls out, the project will not be able to meet the critical success factors). | • Participation Agreements signed<br>• Agreement on delivery approach for ECan<br>• Active inclusion of PTAs, and decision making along the path to implementation<br>• Governance Board is able to effectively balance needs of all parties<br>• Comms maintaining cohesive story (no surprises)<br>• Proactive briefings to the Minister<br>• Continual monitoring external environment<br>• NTS Implementation Steering Committee bringing alignment to Waka Kotahi<br>• Transition Statement of Works in place as soon as feasible<br>• Roadmap for delivery is regularly updated to manage expectations | 19/4/23 – Back pocket comms developed for Governance Board members to promote NTS.<br><br>Ongoing development of delivery planning and partner engagement to provide assurance that collectively we can the deliver outcomes. |

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# Communications & Engagement

**Communications**

A marketing and communications working group has been stood up that includes representatives from all PTAs. The next deliverable is the national communications plan which will be developed together with the detailed stakeholder engagement plans and the PTA change plans over the next two months.

Regular engagement with key stakeholders continues.

section 9(2)(g)(i) [redacted]

**Iwi/Māori Engagement**

We have contracted Māori engagement specialists to support the programme with Iwi/Māori engagement.

Phase 1: Understand the programme and design the engagement. *In progress.*

Phase 2: Iwi / Māori engagement planned for May 2023 and June 2023 to understand how the NTS can:

- support priorities for iwi, Māori
- engage effectively with Māori,
- support positive outcomes for Māori
- reduce inequities in the system.

Phase 3: Map how we navigate how NTS can contribute to Māori priorities. *Completion date: July 2023.*

**Customer Engagement**

Feedback from the Customer research that was carried out in March 2023 is now being analysed and the impacts on the programme considered.

No customer engagement was required in April 2023.

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