

Cllr Lisa Trickett
Birmingham City Council
Council House
Victoria Square
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29 June 2020

Dear Cllr Trickett

Thank you for hosting me at the Mayor's Question Time on Connectivity in February. I'm writing to you in response to some of the questions raised after that session. I have consulted with the relevant officials at the Combined Authority on each of these and the information I have received is set out below.

1. Further consideration needs to be given to how public transport connects with communities across the West Midlands. Were 'old' solutions still being applied to 21st century problems? Were the needs of younger travellers being reflected in the services being offered?

There are a number of mega-trends emerging which will influence and inform how we plan for and deliver our transport system. Of these we know that younger people are now less likely to use / own a car than compared to ten years ago. However, car ownership still remains aspirational for many. Younger people also have a propensity towards shared mobility and alongside this, technology is also changing our concept of accessibility and the ways we consume mobility. It is anticipated that the economic impacts of the Covid-19 will be felt most among the under 25s.

The future transport needs of our citizens are being considered through a number of significant workstreams including data collection and insight and pilots and trials which are already underway – these include:

- Traveller segmentation analysis – providing us with a deeper understanding of our communities and customers.
- Online Community Platform - enabling us to communicate with our resident more frequently and in a two-way manner.
- Future Transport Zone – allowing the development and real-time deployment of new mobility services e.g. Mobility Credits.
- WM5G and digital connectivity - making transport more efficient and reliable and enhancing the experience of travellers by improving services and products across the transport system
- Mobility as a Service
- eScooters

These initiatives will provide a better understanding about how we can start to develop and implement new low-carbon, safe and affordable mobility options for a range of users. This will help to inform policy development and shape the next iteration of the West Midlands Local Transport Plan.

2. Further clarification should be sought from the Government regarding its announcement of £5bn of funding for bus services. How much of this funding would be allocated to the West Midlands? How much of it had already been allocated through previous Government announcements?

It is understood that the Government had intended to make the funding originally announced in February available as follows – 65% bus and 35% cycling. It had not been announced how the funding would be allocated but was understood that areas that can show demonstrable outcomes in relation to the rapid delivery of passenger improvements (lower fares, more services, more reliable buses and so on) were likely to be prioritised, putting the West Midlands in a good position.

Some of the funding announced in February has now been allocated to bus operators as part of the Covid-19 response funding packages to bus operators and as the Emergency Active Travel Fund. Of the former some £400 million has been paid to bus operators nationally to help support operators and to maintain essential levels of bus services. Of the latter the Government has announced that £225 million will be available through the EATF in England with up to £17.3 million available to the West Midlands.

3. Further consideration should be given to the wider benefits of making the 16-18 Photocard travel pass available for use at any time, including the funding implications that this would have and its ability to help the region meet its #WM2041 CO2 emissions targets.

Options, as well as indicative costs for potential options, to enhance the existing concessions offer to benefit younger people have been developed. Given the pressures which already exist on Transport for West Midlands revenue budgets, progressing any enhancement would require additional/or new financial resources to be secured; or a change of policy by WMCA/the reprioritisation of other essential services by TfWM would be required.

4. The availability of different funding streams relating to capital expenditure and revenue expenditure, and tensions that this created in the WMCA's ability to address the underuse of public transport within specific demographics, was recognised. Could the WMCA also be seeking a more equitable exposure to financial risk across the transport sector?

The current pressure on transport providers created by COVID has highlighted that the risk of transport operations is often returned to the public purse (with direct support being provided to rail, tram and bus operators). The current national framework for funding transport is not optimal for ensuring the challenges of addressing climate change, de-carbonisation and inclusion.

Further devolution is something that all urban transport authorities outside of London are seeking and this needs to be supported with sufficient funding and powers to allow the creation of an equitable, inclusive, clean and integrated transport system. Until it is understood what normal travel patterns and underlying commerciality of the public transport might look like in a post-COVID world then it is not possible to be more specific about how powers, finance and risk can be optimally designed.

5. Transport for West Midlands should continue to be minded of the impact that affordability had on passengers' ability and willingness to use public transport.

Affordability is one of a number of key issues alongside journey times, reliability, cleanliness and safety which influence the attractiveness (and ultimately viability) of the public transport network. Access to and use of cars is expected to continue to increase as the cost of motoring continues to decrease relative to income and public transport fares. One of the manifestations of our travel choices, congestion, creates challenges for public transport services. Delays require bus operators use more resource to deliver the same levels of service and as a result the cost of bus services increases.

This is important as many of the levers and measures which influence the attractiveness and use of other modes of travel sit beyond the remit of the Combined Authority. Some powers such as the ability to introduce parking management through pricing or restricting the number of spaces in centres and the reallocation of roadspace sit with local authorities.

The West Midlands still enjoys reasonably low bus fares compared to other parts of the country. As part of the West Midlands' Vision for Bus we are creating quicker and easier access to bus with Swift and contactless fares revolutionising our fares and payment function. We have also worked with operators to provide better value bus journeys with new low fares zones.

Transport for West Midlands continues to work with operators to make transport more affordable for customers. Examples of this include:

- The 16-18 photocard enabling young people to save 50% on travel costs. TfWM have also waived the original £10 fee to remove a recognised barrier for more young people taking up his offer
- Lifting peak time restrictions on Concessionary tram and bus passes to make it easier for passholders to access shopping during the Coronavirus outbreak
- Women's Concessionary Travel Scheme providing concessionary travel for women living in the West Midlands born between March 6 1954 and November 5 1954
- Low fare zones in Walsall and Sandwell & Dudley, providing cheaper fares for passengers making shorter local trips
- Ongoing work to extend contactless capping across modes and operators to ensure that customers are able to obtain the best value price for their travel
- In response to the Coronavirus lockdown, TfWM has developed a refund scheme so that thousands of customers can be given refunds on their bus, train and tram season tickets.

Following unprecedented levels of walking and cycling across the UK during the pandemic, we have submitted our plans to Government to help us get more people to choose alternatives to car and while we need to ensure social distancing public transport when they need to travel, making healthier habits easier and helping make sure the road, bus and rail networks are ready to respond to future increases in demand.



6. The full range of regulatory powers available to the Mayor and/or WMCA to give greater public control and oversight over the public transport network should be more fully considered, as appropriate, to address market failings.

TfWM are leading the way in considering new powers available under the Bus Services Act 2017. We have full operator support for the first Enhanced Partnership Plan in any metropolitan area of the UK and will be in a strong position to deliver on initiatives that require a strong governance framework to invest and deliver major bus network developments. We are also developing an Outline Business Case to explore the wider, long term policy options available under the Act including Franchising. Additionally, the impact of Covid-19 on public transport will potentially present further opportunity to reassess the role of the Combined Authority in the planning and delivery of the public transport network.

Do please get in touch should you require any additional information on any of the above issues.

Yours sincerely

A handwritten signature in black ink that reads "Andy Street".

Andy Street
Mayor of the West Midlands