



West Midlands
Combined Authority

Transport Delivery Committee

Date	15 November 2021
Report title	Swift Delivery Monitoring Report
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Report has been considered by	n/a

Recommendation(s) for action or decision:

The Transport Delivery Committee is recommended to:

- (1) Welcome the progress achieved within the Swift Programme to date.
- (2) Note the projects in delivery.
- (3) Note the progress towards developing the intended future projects.
- (4) Note the general update in the area of transport ticketing.

1. Purpose

1.1 The purpose of this report is to provide an update on the progress towards delivering the Swift Programme and to provide a general overview of transport ticketing matters.

2. Background

2.2 The Swift Programme for 2021/22 is made up of the following for project types:

- Projects that have now been delivered
- Planned projects that are in their delivery phase
- Projects that are in the planning phase prior to delivery
- Project concepts that are being explored before commitment to planning

3. 2021/22 Projects that have now been delivered

Project	Description	Date Delivered	Results so far
Swift & Birmingham Clean Air Zone	<p>The Swift team has worked closely with Birmingham City Council to introduce the 'redeem a code' function. This has enabled Birmingham to issue a code to residents who choose to scrap their car as part of the Clean Air Zone measures which can be converted into £2000 of Swift credits for use to purchase public transport tickets or hire a bike from the West Midlands Cycle Scheme.</p> <p>The 'redeem a code' function has wider applications and will be one of the tools that TfWM will use to deliver its 'Passenger Incentive Programme' that forms an exciting part of its Bus Service Improvement Plan (BSIP).</p>	May	11 customer provided with codes with 9 redeemed so far.
Swift App	<p>The Swift App is a one stop shop for public transport and is available on the App Store and through Google Play and has the following functionality:</p> <ul style="list-style-type: none">• Journey Planning• Ticket finding• Ticket purchasing• Ticket validation through G-Pay (android only)• Real Time Information for bus, train, tram and cycle hire.• Account Management	June	Over 22k downloads of the App

<p>Swift Go for adults on bus and tram</p>	<p>Swift Go is the West Midlands, Oystercard equivalent as it automatically caps customer fares at the best value ticket when travelling on bus and tram. The capping process works across all of the complexity of different operators, peaks and areas. It is perfect for people who work flexibly as the capping works across 1 day, three days and a week.</p> <p>Incentivising customers to take up the Swift Go product is one of the measures within TfWM's BSIP.</p>	<p>July</p>	<p>Over 600 users making more than 20,500 journeys achieving 8,500 caps.</p>
<p>Swift Parking</p>	<p>Incorporating payment for parking as part of the Swift family of products with the aim of capturing data from non-users of public transport to enable the use of incentives and rewards to encourage behaviour change. The following features are now live:</p> <ul style="list-style-type: none"> • Parking machines payment at Bromsgrove and Longbridge Park and Ride • Automatic Number Plate Recognition payments at Longbridge – the registered user merely drives in and out of the car park and payment happens automatically. • Swift Parking App incorporating all of Dudley's council managed car parks and half of Coventry's council managed car parks (the remaining Coventry car parks are currently being added to the App). <p>The Swift team is keen to add the car parks for the 5 other Local Authorities in the area as well as adding on-street and private car parks.</p> <p>Through its BSIP, TfWM will target selected customers captured through the Swift Parking solution with discount offers to encourage them to choose sustainable modes of transport.</p>	<p>August</p>	<p>Over 2,700 registered users paying for more than 12,000 parking sessions.</p>

Swift “Third Party Payment”	This function allows customers to pay for a service using their balance or card details stored within their Swift Account when using a third party App. This is currently live for the West Midlands Cycle scheme so Swift customers can use their Swift credit to pay to hire a West Midlands Bike when in the Beryl App.	September	9 registered users making 29 journeys.
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4. 2021/22 Projects that are planned and in the delivery stage

Project	Description	Due date
Metro “Buy Before Boarding” tender	The procurement of suppliers to deliver at stop validators and ticket vending machines and the back-office systems that enabled contactless payment capping and off-tram ‘tap on-tap off’ validation for all ticket types including Swift Go.	December 2021.
Integrated cEMV ¹ contactless payment	Re-test the technical ‘broker’ solution designed by TfWM and Midlands Connect and refresh the business case including the commercial and management case prior to procurement. This will enable capping across operators and modes when people pay using their cEMV enabled contactless bank cards.	December 2021
Swift Rail Retailing	To gain accreditation to enable the sale of rail tickets through all Swift retail channels.	March 2022.

5. Projects that are in the planning phase prior to delivery

Project	Description	Estimated Delivery Date
Swift Go for Children	This will bring capping functionality to children’s Swift accounts so that they too can enjoy the same benefit as adults. This will also deliver the functionality that will enable child purchases within the Swift App.	March 2022
Swift Go top-ups	This will enable users to top-up their Swift Go accounts at over 1,000 Payzone newsagents and Ticket Vending Machines at Bus Stations	March 2022
Swift for Mobility as a Service	This project will enhance the Swift Systems so that it is ready for Mobility as a Service. The deliverables include the following:	Summer 2022

¹ cEMV stands for contactless Europay, Mastercard and Visa

	<ul style="list-style-type: none"> • The ability to book and pay for the following services directly within the Swift App: <ul style="list-style-type: none"> • Cycle Hire (currently only available through the Beryl App) • E-Scooter Hire • Demand Responsive Transport Hire • Car Share / Car Hire • Parking • The delivery of Application Processing Interfaces that will make the following functions available for approved App developers: <ul style="list-style-type: none"> • Swift Payment • Swift banking integration • Swift Account Management • Operator Reimbursement • Swift reporting and capping engine <p>This is an important project as Swift systems will be at the heart of a future mobility as a service solution.</p>	
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6. Project Concepts that are being explored before commitment to planning

Project	Description	Estimated Delivery Date
Swift Go on Rail	<p>This will bring local trains into the Swift Go capping solution and therefore for the first time provide the West Midlands with a ticketing solution comparable (and in some ways better than) the Oystercard.</p> <p>TfWM is much further ahead than any other area outside of London in terms of its thinking, the technology that it has developed and its partner relationships however, to deliver this project it is dependent on support from the Department for Transport and the Rail Delivery Group who are both currently working hard to establish a national approach for capping on the rail network.</p> <p>This is also dependent on the rollout of hardware across the rail network which is a live project currently being delivered by West Midlands Trains (ETA Oct 22).</p>	Winter 2022

<p>Integrated Contactless Payment for cross operator and mode capping.</p>	<p>Due to significant support from TfWM, all bus operators and the tram operator accept contactless bank cards to pay for fares. However, limitation with data exchange means that, whilst it is possible to provide a cap when travelling on one operators services, it is not possible to provide a cap across multiple operators services and modes; and customer who use there bank card to travel in this way are currently likely to be overcharged.</p> <p>TfWM with Midlands Connect has designed a 'broker' that would enable the secure transfer of this data so that a cap can be applied. This design is now two years old and as such is currently being re-tested together with a review of the full business case.</p> <p>Subject to a successful outcome of the above and support from transport operators, TfWM is seeking to use CRSTS funding to procure the 'broker' that will enable capping firstly in the West Midlands before rolling out across the Midlands and then potentially the rest of the UK outside of London (London use 'closed' bespoke technology to deliver their solution).</p> <p>Upon a contract award TfWM expects development, testing and delivery to take 2 years.</p>	<p>2024</p>
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7. Ticketing Update - BSIP

7.1. Through BSIP, TfWM and its partner bus operators are seeking to deliver the following radical transformation of bus ticketing:

- The continuation of the c. 6% reduction in fares delivered in July – ensuring that West Midlands’ buses remain the cheapest to use in England, outside of London.
- The removal of the price premium for the multi-operator ticket, followed by a radical restructure that will see the c. 3k ticket options currently available reduced to a structure of just 6.
- The introduction of a controlled pricing mechanism that will ensure tickets always remain excellent value for money.
- A package of targeted discounts to incentivise those that travelled prior to Covid-19 to return and to attract new users.
- Aligning ticket retailing and marketing to maximise efficiency and impact.
- Deliver integrated contactless payment (see above) that will ensure that those paying with their bank card achieve the same best value cap available to those using Swift Go.

8. Ticketing Update – NX Travel Shop Closure

Pre-closure

- 8.1 National Express rolled out a new retail solution in April 2021 that saw the sale of their tickets available through over 1,000 shops and newsagents that form the Payzone retail network.
- 8.2 Following the success of that solution and in recognition of the growing shift towards digital channels, National Express closed their 5 remaining Travel Shops at the end of October 2021.
- 8.3 TfWM has worked closely with National Express to ensure that any impacts have been mitigated and managed. The main issue picked up from our gap analysis was with regard to customers who are digitally excluded or rely on cash. However, following review, TfWM is satisfied that the Payzone network is of sufficient size and geographic coverage to mitigate the issues for these customers. TfWM has also introduced a service that will see Swift cards made available over the phone as another measure to protect the digitally excluded.
- 8.4 TfWM has its own relationship with Payzone and the Swift Operational Team has worked really closely with Payzone to retrain and ensure all kits are in working order with particular focus on those newsagents closest to the 5 Travel Shops. National Express have also overseen a comprehensive training programme for agents.
- 8.5 There has also been a significant focus on pre-closure customer information with National Express handing out leaflets and info for number of weeks before the closures to guide customers on what they can do after the shops close. TfWM have also emailed its Swift customers which use National Express shops. TfWM and National Express web info was also updated.
- 8.6 TfWM also undertook a survey prior to their closure to identify why customers continue to use the Travel Shops. The number of customers that stated this was because they were digitally excluded or reliant on cash was smaller than TfWM anticipated.

Post-closure

- 8.7 TfWM and National Express have staff present outside all of the shops to support customers for the next few weeks and posters are being produced for all shops giving walking directions to the nearest Payzone agent which are all 0.1 mile away and Swift Vending Kiosks. Also, a how to flyer has been developed for station staff to hand out alongside a digital marketing campaign reminding people of alternative options available to purchase and top-up with Swift, is in progress.
- 8.8 The Swift Team, working with TfWM Data Insight will be monitoring and analysing swift data to establish where the retail demand actually moves to – this is done by sampling cards used at the travel shops prior to their closure and tracking behaviour afterward (i.e. which retail point do they move to, does this influence product type, how many cards are never used again) the outcome of this will allow us to focus on further mitigations if required.

9. Financial Implications

- 9.1 The Swift Revenue budget for 2021/22 is £1.581m. In addition, £3.8m of the £20m of Future Transport Zone Revenue Grant has been allocated to support the introduction of a capping solution, which has now been rolled out across Bus and Metro, and to assist with the introduction of Mobility as a Service. It is anticipated that the £3.8m will be fully utilised by the end of 2021/22. The combination of these budgets will fund all of the items identified in the programme above.
- 9.2 Pre-Covid, Swift saw the steady increase of passengers using its platform. This generated an increasing level of commission income year on year which was able to support new initiatives without seeking corresponding increases in development funding. Covid-19 has significantly impacted the level of commission income over the last 18 months. Patronage is starting to recover. However, the latest 2021/22 Commission Income Forecast is still £50k lower than the amount received in 2019/20. If commission income does not continue to grow, this will place more pressure on the team's ability to develop initiatives in future years without attracting additional funds.
- 9.3 The allocation of significant FTZ grant funding has facilitated the development of capping on Swift. The bid for £20m of CRSTS funding is to facilitate capping on contactless. Without this funding, that work stream will be unaffordable. The BSIP for the West Midlands has been submitted which includes proposals for fare discounting and the simplification of fares. As with all of the BSIP proposals, the ability to progress these will be subject to the availability of funding. An announcement from Government is currently expected before Christmas.

10. Legal Implications

- 10.1 There are no immediate legal implications flowing from the contents of this report. Legal Services will provide assistance with formalising any new legal relationships required to secure the intended improvements set out in this report.

11. Equalities Implications

- 11.1 A number of solutions currently in exploration stage, e.g., integrated contactless payment, are likely to have positive impact by truly enabling true value fares for passengers and simplification of processes. A number of mitigation measures are in place regarding NX travel shop closures. However, it is very likely that a number of travel shop customers across different protected characteristics (primarily disability and age, as well as customers from lower socio-economic backgrounds) will be disproportionately affected through closures as they are more likely to rely on face-to-face interaction for information and ticketing solutions and are less likely to have digital literacy or/and digital access. It essential to monitor the impact of closures to understand the extent to which interim or medium-term measures are helping bridge the gaps and consider additional mitigating measures, where needed

12. Other Implications

- 12.1 There are no known further implications associated with the content of this report.

13. Schedule of Background Papers

- 13.1 None