



**West Midlands
Combined Authority**

Transport Delivery Committee

Date	15 November 2021
Report title	Metro Operations Monitoring Report
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Accountable Employee	Sophie Allison, Commercial Director Midland Metro Limited email: sophie.allison@westmidlandsmetro.com
Report has been considered by	Councillor Richard Worrall – Lead Member Rail and Metro

Recommendation(s) for action or decision:

The Transport Delivery Committee is recommended:

- (1) To note the contents of the report.

1. Purpose

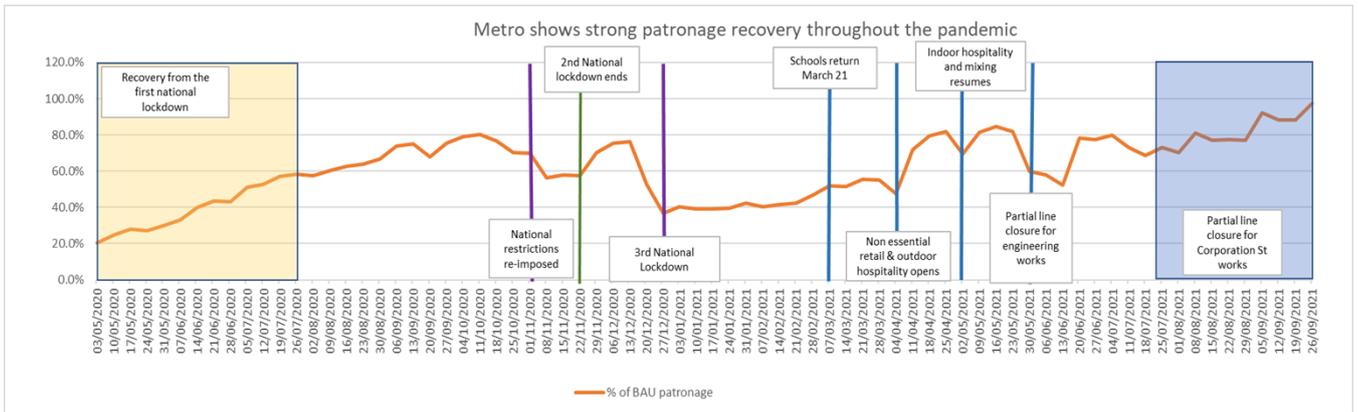
- 1.1 To provide Transport Delivery Committee (TDC) with an update on the operational performance of Midland Metro Limited (MML), operator of West Midlands Metro (WMM) network.

2. Background

- 2.1 On the 24th June 2018 MML trading as WMM, took over responsibility for the operation and maintenance of the Metro under a Public Service Contract (PSC), awarded to MML by the asset owner West Midlands Combined Authority (WMCA).
- 2.2 The operational performance of MML is monitored by TDC with the last report to the Committee in July 2020. This focused on the impact of Covid-19, which saw patronage on Metro fall by 86% following the first national lockdown. Since this time we have seen the roll out of Covid -19 vaccinations and the economy start to re-open. MML is now focused on recovery and growth as it works to deliver **safe and secure, reliable and sustainable** services in a changing environment.
- 2.3 MML adopted 4 key principles at the start of the pandemic. These remain and continue to underpin operational activities, namely:
 - i. Keeping our colleagues safe
 - ii. Keeping our customers safe
 - iii. Letting customers know what we are doing to keep them safe
 - iv. Protecting our revenue

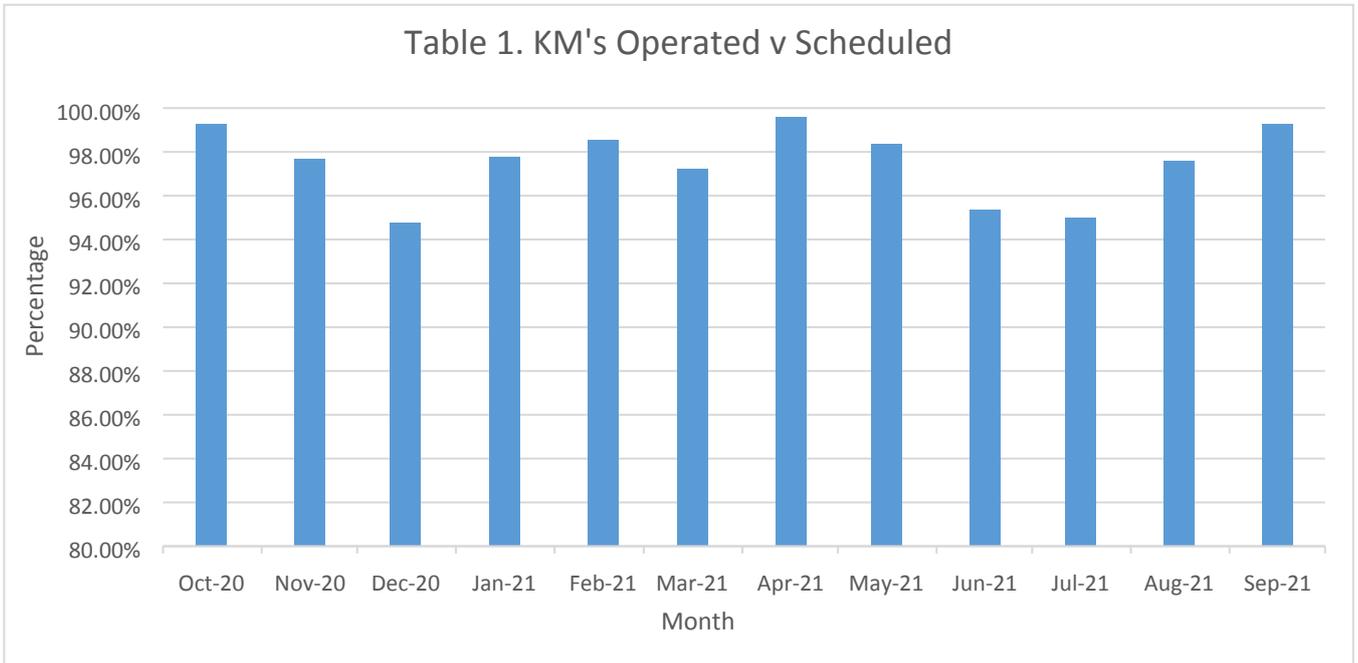
3. Patronage Recovery

- 3.1 Patronage on Metro has shown a strong recovery following each lockdown and is now at c90% of pre-covid volumes. This is higher than all other tram systems in the UK with the exception of London and is significantly higher than other modes regionally. This can be partially explained by the demographic, with nearly 50% of Metro customers being manual workers and therefore unlikely to be able to work from home.
- 3.2 Weekend patronage is performing particularly well, regularly exceeding pre-covid numbers. This growth, which is predominantly leisure travel is helping to compensate for the reduction in commuter travel. With many companies encouraging hybrid working as the new norm, regular weekday travel remains low. This is reflected in the number of Direct Debit subscriptions, still only c30% of pre-covid numbers. Concession travel also remains low, stagnating at c60% pre-covid volumes. In a recent Travel Trends survey (Jul-Sept 21) undertaken by Transport for West Midlands (TfWM) those aged 65+ were most likely to note that the pandemic was still influencing how they travelled. The graph below shows Metro patronage throughout the pandemic.



4. Reliability

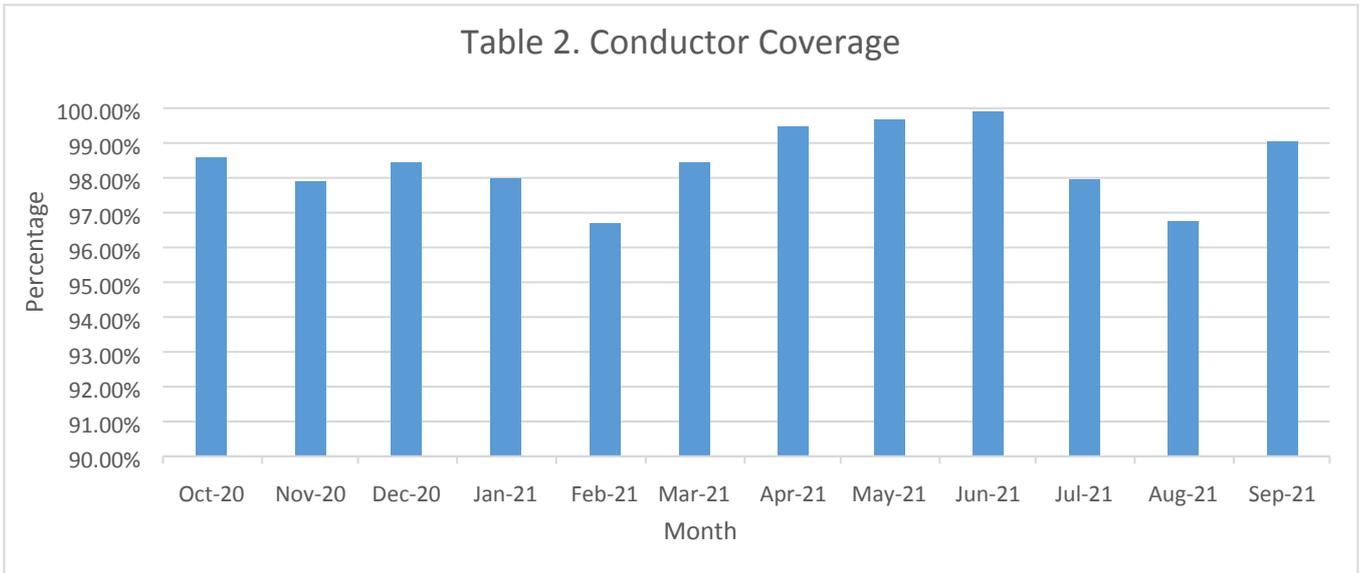
4.1 During the pandemic MML has taken a data led approach to inform service. Using the automatic passenger counters on the trams and data from Swift, Metro has been able to operate a base frequency supplemented by 'queue busters,' where data suggests demand will be high. Table 1. shows the monthly KM's operated v scheduled with the most recent data for September 2021 recording 99.27% which follows a trend of strong performance. The operated figures shown exclude the additional KM's operated by 'queue busters.' Once these are added, the operated KM's regularly meet or exceed those scheduled. It should also be noted that a proportion of the KM's lost are due to events outside of the control of the operator, although no adjustment has been made in the figures presented.



5. Conductor Coverage

5.1 The number of trams in service with a conductor has also held strong with the latest figures for September 2021 showing 99.05% of trams in service had a conductor on board. Table 2 below shows conductor coverage over the last year where it has remained above 96%.

Table 2. Conductor Coverage

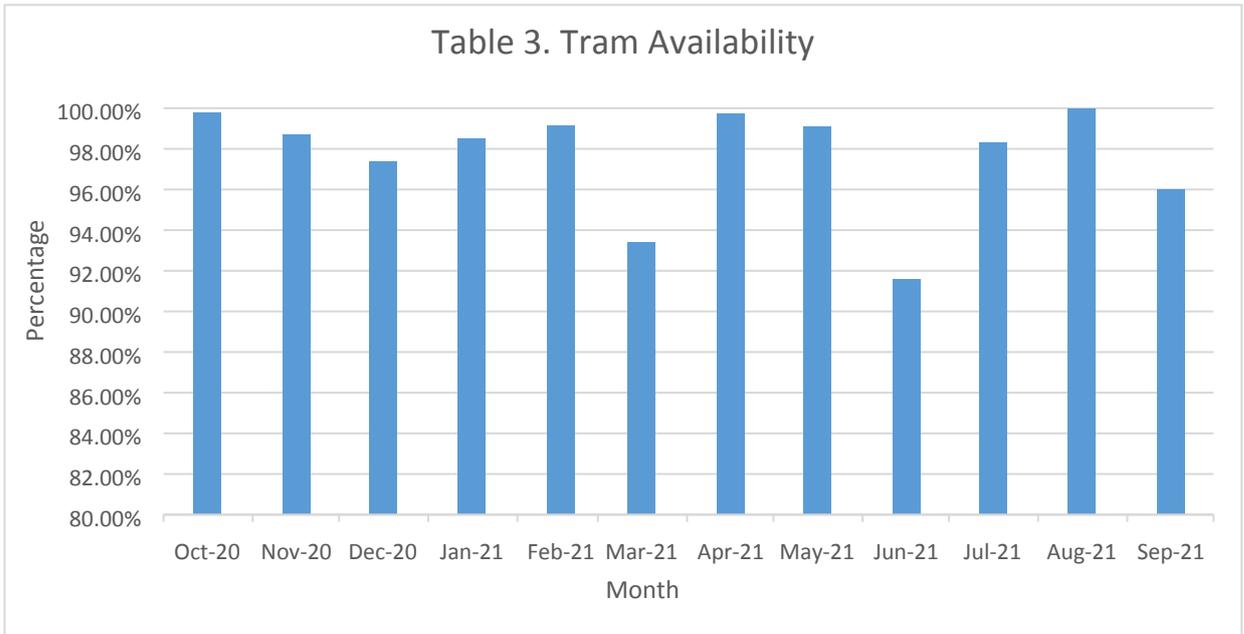


5.2 The ability to continue to offer a reliable service with conductors on board, reflects the extensive work undertaken by MML throughout the pandemic to protect colleagues. This included arranging Covid-19 testing for team members at West Bromwich Town Hall. A Crew Supervisor dedicated solely to managing the process arranged nearly 700 tests with only two returning positive results. With this early detection MML were able to help stop the spread of the virus, whilst also reassuring colleagues. This along with other mitigations such as: sharing of guidance, provision of PPE, opening of tram windows and doors at each stop and introduction of tram crew only areas on the tram have helped MML to retain a low level of absenteeism attributed to Covid. This has remained less than 5% since the start of the pandemic.

5.3 Although tram crew only sections on the tram have since been removed, and Covid-19 testing at the Town Hall has been replaced with the issuing of home testing kits for colleagues who may want them, other measures remain in place. For example, tram crew are still required to wear a face covering on the tram unless exempt.

6. Tram Availability

6.1 The number of trams available to meet the vehicle requirement for service has largely performed well over the last 12 months. There have however been challenges with the fleet temporarily grounded in June 2021. This was a precautionary measure following the identification of a defect on a tram. All trams were inspected and those identified as requiring repair formed part of a repair programme. This included temporary repairs allowing affected trams to re-enter service and permanent repairs, which is ongoing. This repair programme has an impact on overall tram availability.



7. Recovery

- 7.1 Travelling on public transport was restricted, except for essential journeys at the earlier stages of the pandemic. Even as restrictions eased messaging from central Government was still dissuasive of travel on public transport. Although Metro has seen a strong recovery between lockdowns and even more so as most restrictions have lifted, patronage is still not fully recovered. Before the first national lockdown Metro had not long opened to the Library, Centenary Square where strong growth was forecast. Although in the short period between opening and the first national lockdown patronage was increasing, the anticipated growth and associated revenues had not had the opportunity to be fully realised.
- 7.2 As part of the recovery MML are undertaking a number of marketing campaigns to restore and grow patronage. During September MML ran a campaign focused on the Clean Air Zone (CAZ), comparing CAZ charges with the cost of taking the metro. This was linked to another campaign offering a discount for new/returning Direct Debit customers who sign up by the 31st October; targeting those returning to offices or other regular work out of home. Other campaigns have focused on the discounts available from buying tickets on the My Metro app where new multi modal products have also been added for convenience and where the flexible products launched in 2020 are available to purchase. These initiatives have all been underpinned by a broader campaign message under the strapline “ M is for....” highlighting the benefits of Metro and the connectivity it offers to help people live their daily lives. Examples of the marketing collateral are shown below and are adapted depending on mediums used to communicate which include: door drops, mail shots to Metro subscribers, social media and static signage on the Metro network.



7.3 Future activity is planned to focus on Concession travel where there is more reluctance to return – a trend echoed across other modes of public transport. More extensive marketing campaigns will also be deployed for the opening of the two new extensions to Edgbaston Village and Wolverhampton Stations this winter which will bring even greater connectivity for customers and further grow patronage.

7.4 Although messaging during the pandemic has discouraged travel on public transport suggesting an element of risk to health MML are confident that customers who do return are satisfied with the measures MML have in place to keep them safe. The Jul-Sept 21 Travel Trends survey reported that 94% of Metro users were satisfied with their overall journey experience. Over 90% of users were most satisfied with the cleanliness of the tram, the length of journey, personal security and amount of personal space.

8. Other Operational Activities

8.1 New Zonal Fares Structure

8.1.1 In readiness for the implementation of Buy Before You Board (BBYB) which will see the introduction of ticket machines and validators on platforms, MML are implementing a new fares structure. This replaces the current point to point pricing structure and is based on zones which are simpler and more transparent for customers to understand. The new structure will come into effect with the opening to Edgbaston Village and will significantly reduce the number of different fares currently available, making it easier for customers to navigate. This structure also enables MML to offer zonal season tickets where currently customers can only buy season tickets for the entire line. This ensures customers are only paying for what they are using offering savings; and is intended to encourage customers to buy longer term products giving more certainty to future revenues. Communications about the changes will commence in November as the Metro prepares for the opening to Edgbaston Village.

8.2 Penalty Fare Consultation

- 8.2.1 Other preparations for BBYB include changes to the Penalty Fare. Currently anyone travelling on the Metro without a valid ticket or pass may be liable to pay a Penalty Fare of £10 in accordance with the Penalty Fares Act (1991). West Midlands Combined Authority are currently consulting with the public and other stakeholders on proposals to vary the penalty amount to £100 (£50 if paid within 14 days). It is felt that the current penalty is no-longer a sufficient deterrent to dissuade ticketless travel particularly in a BBYB environment. The consultation closes on the 19th November after which the results will be collated and presented to the WMCA Board who will decide on whether to vary the penalty as proposed.

8.3 Recruitment

- 8.3.1 As the Metro expands over the next 3 years MML will increase its workforce by 70%. This equates to 180 new jobs. Recruitment for some of these posts has already commenced as part of the extensions to Edgbaston Village and Wolverhampton Station. However, MML now faces a challenge in recruiting suitable candidates due to the competitive labour market, in which some companies are offering attractive bonuses for joining them. Recruiting the number of people required for the expanding network is now considered a key risk to the operation and MML have been working on a number of initiatives to attract potential candidates. These include working with partner organisations and local authorities – using a number of their channels and schemes to attract new people, extensive advertising using paid media and fundamentally using colleagues in the business to share their experience of working for MML to encourage others to join. The latter includes the production of a promotional video showcasing the people who work for Metro.

9. Financial Implications

- 9.1 To support the continued operation of WMM whilst patronage recovers, the Department for Transport are providing financial support until the end of the financial year.

10. Legal Implications

- 10.1 The legal team continue to support the Penalty Fare Consultation in line with the legislative requirements. Once the consultation is complete the findings will be presented to WMCA Board in order to inform the final decision to vary the Penalty fare as proposed.

11. Equalities Implications

- 11.1 Information regarding the Penalty Fare consultation has been sent to disability groups as part of the consultees.

12. Inclusive Growth Implications

- 12.1 None

13. Geographical Area or Report's Implications

- 13.1 None

14. Other Implications

14.1 None