



The Rt Hon Grant Shapps MP  
Secretary of State for Transport  
Department for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

3<sup>rd</sup> February 2020

Dear Grant

I promised to write to you after January 31 to discuss the performance of West Midlands Trains (WMT), and to give my view on whether they should lose their franchise.

As you acknowledged in your recent letter, passengers using WMT's services in the West Midlands suffered a torrid time at the back end of last year, with the performance of the operator falling off a cliff. The numbers are stark – more than 1,600 cancellations in the month of December, with reliability falling from nearly 92% before May to less than 45% on some lines. This complete meltdown had serious impacts on residents of the West Midlands; people were left stranded on platforms unable to get home to loved ones, they were frequently late for work, and often missed critical appointments. It was a woeful situation, and one that could not be allowed to continue.

Against that backdrop, and the fact that WMT's management had shown a complete inability to get a grip of their failings, I had to step in. As you know I gave WMT an ultimatum - just over one month to restore a reliable service, or else I would ask for the franchise to be taken away. Had the December level of performance continued there would have been no way back for West Midlands Trains.

However since I issued my ultimatum on December 23 performance has begun to improve, and it is clear that bosses at both WMT and Abellio (WMT's parent company) have responded to my public intervention. Cancellations have decreased from 1,351 in December to 203 in January. And the number of trains turning up on time or within five minutes has gone from an average of 78% to more than 88%. These numbers show a step in the right direction, and therefore I believe it would be premature to ask you to strip WMT of the West Midlands franchise at this time.

But I still have very serious concerns, and more importantly so do passengers. An extensive customer survey I had carried out this month found that, of the more than 4,100 passengers quizzed, 65% experienced regular disruption between October and December last year. This figure has dropped to 34% in January - but that is evidently still way too high and remains unacceptable.

Many passengers are also familiar with WMT's staffing problems, and as a result are sceptical that the short term performance can be sustained. February half-term will be the next real test of the staffing situation, and I will not hesitate to ask you to take the franchise away from WMT if last year's problems resurface. Passengers also remain furious at the serious overcrowding that continues to plague a number of services. I have been told that this will be tackled and that new carriages are coming, but I am yet to see any substantial evidence of this. WMT promised to address overcrowding when they took on the franchise in 2017, and we must see swift and decisive action on this if they are to continue to run West Midlands Railway.

Therefore, with all the above in mind, I will be keeping WMT under regular review with the threat of losing the franchise still very real. The improvements we have seen so far this year are a start, but they most definitely do not make up for months of misery. There is a very long way to go if WMT want

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to keep the franchise long-term, and I will be relentless in my pursuit of these continued improvements. As part of this I will be reviewing performance figures daily, getting regular feedback from commuters, and meeting WMT's managing director every fortnight to hold his feet to the fire.

If at any point I lose confidence in WMT's performance I will be writing to you to ask for the franchise to go. Their first ultimatum may have passed, but the threat they face of losing the franchise has not.

I believe this direct approach is already working, as the company has brought about major changes and concessions in recent weeks. These include:

- Recruiting 46 new drivers and 40 guards to tackle their chronic staff shortages
- Offsetting the annual fare rise for season ticket holders with a 3% discount, and offering off-peak discount for day passengers during school holidays in 2020
- Pledging to only use 'skip-stopping' as a last resort, addressing a problem that has plagued the Coventry corridor
- Appointing a new managing director and other senior managers

Many of these came about as a direct result of my pressure, particularly the 3% season ticket discount, which is effectively a fare freeze. Unique across the whole country, it followed a very forthright conversation between me and Abellio's CEO on Christmas Eve. This is clear evidence of the effectiveness of a Mayor holding a rail firm to account, and I would therefore urge you to honour the Conservative manifesto commitment of devolving local rail powers as quickly as possible. There is clear evidence of how that would improve services for passengers here in the West Midlands.

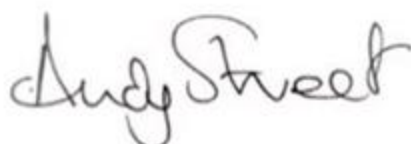
As we work towards this new model, I will continue to apply immense pressure on WMT until passengers are once again enjoying one of the best local rail services in the country. The outcome passengers expect is continued rapid improvement, and at this stage I believe this can be best achieved by me turning up the heat on WMT, coupled with reserving the right to demand they lose their franchise.

One way of keeping this pressure up is to make sure WMT are being heavily penalised for their poor performance. I know they are set to incur fines as part of the various breaches of the franchise agreement that came during last year's autumn meltdown, but I want to make sure this fine is both strict and substantial. WMT bosses need to understand just how badly they let passengers down, and I believe a hefty financial penalty running into the tens of millions is a clear way of showing this. Moreover these fines should be spent on improving our local services, and in particular on boosting capacity on some of our beleaguered lines. It is imperative that the financial penalties inflicted on West Midlands Trains result in a better service for passengers in the region.

I am sure you and your team will support me in this, as well as any future decision I may come to regarding WMT's running of the West Midlands Railway franchise.

I will continue to make sure you are personally kept abreast of all the developments with regards to rail services in the West Midlands.

Best wishes



Andy Street  
Mayor of the West Midlands

cc. Julian Edwards – West Midlands Trains  
Dominic Booth - Abellio