



Transport Knowledge Hub Midlands Event
Wednesday 7 March 2018
10.00am – 2.00pm, KPMG, 1 Snow Hill, Queensway, Birmingham

NOTE OF EVENT

Event chair **Gerard Whelan**, Director of Corporate Finance, Government and Infrastructure at **KPMG** introduced the event and outlined the impact that the Transport Knowledge Hub was having in developing and sharing knowledge.

Claire Haigh, Executive Director, Transport Knowledge Hub, thanked everyone for attending, and stated that the event was timely and topical so the discussion would be lively and informative.

Opening the discussion, **Lisa Maric**, Operations (Midlands), Highways England outlined some of the measures that Highways England had taken to support economic growth. She reported that £1.8 billion had been invested in the Midlands region, including 145 miles of smart motorway improvements. Lisa reaffirmed Highway England's commitment to work collaboratively with Local Enterprise Partnerships and local authorities on funding priorities. In addition, Lisa announced that a number of schemes were currently being undertaken, and they will be responding to a recent consultation in the spring.

Graham Botham, Strategy & Planning Director (North), Network Rail outlined what Network Rail have done in the Midlands region, as well as how they can work with partners to do more in the future. He alluded to the transformation of Birmingham New Street station of being a good example of the collaborative working. He outlined that Network Rail were in the midst of a programme that will see improvement in journey times between London and the East Midlands. In addition, Graham mentioned that Network Rail are working with West Midlands rail to make the most of the franchise and the commitments they've made, as well as working with the Department for Transport on how Midlands Rail can contribute to the growth of the economy.

Graham said that Network Rail want to make changes and improvement to the network – which involves alternative funding as well as alternative delivery. He stated that Network Rail have been pioneering a new way of working with Midlands Connect – recognising that local organisations, Local Enterprise Partnerships and national transport bodies know what is best for their local economies. They are looking at economic drivers and faster connectivity which comes down to how we can get more trains to Birmingham. He said Network Rail are looking forward to working with partners, and remain 'open for business'.

Lisa Maric added that Highways England have always been 'open for business', and engage extensively through the planning process and other initiatives.

A brief period of questions followed, with **Cllr Richard Worrall**, Chair of the Transport Delivery Committee, West Midlands Combined Authority, asked if Graham Botham's example of Birmingham New Street station was indeed a good example due to reports of confusion by passengers. **Graham Botham** welcomed the feedback, but reaffirmed that passenger satisfaction scores have significantly improved.



Sandeep Shingadia, Director of Development and Delivery, Transport for West Midlands asked how we successfully coordinate all the activity that is going on, and how do we have a 'single source of truth'. **Cllr Mark Willington, Cabinet Member for Economic Growth, Staffordshire County Council** asked if there was forward planning doing done for ten years time – when HS2 is being rolled out – specifically in relation to digital railways and automated vehicles.

Responding, **Graham Botham** said that Network Rail are always looking at what comes next and how they can make the most of new technologies, including making the most of HS2. He said that digitising the network is absolutely fundamental to Network Rail's strategy. **Lisa Maric** added that Highways England were mindful of technological advancements needed for the future.

The chair then invited panel members to share their thoughts on the impact new transport technology will have on passengers. **Tom Stables, Managing Director UK, National Express** opened by saying we were entering a period where there is a huge opportunity to make a difference and a great amount of choice for passengers. He stated that contactless and smart ticketing had made massive leaps forward, and that National Express as a business have put a lot of work in to that.

He said that some people have told him in the past that customers wouldn't be able to pay with their mobiles or contactless cards, yet there is clearly a demand for change given the success of sales in contactless. He also argued that the use of contactless has cut down journey times.

Tom stated that the other area where technology is having a huge impact is safety. Steering and driving systems have been updated to modern technologies, improving driving and protecting drivers. He added that CCTV has also improved safety on buses and transport. He said that National Express were making the most of AI and technological changes, saying that new insight is allowing them to introduce new routes which reflect where people want to go in the future.

Sandeep Shingadia said that transport stakeholders in the West Midlands are all working together to address the challenges they want to overcome. The starting point is to seek £8bn investment over the next 30 years. He stated that they must pay close attention to the HS2 growth strategy – and ensure that they support supply chains, connectivity to stations and wider transport needs.

Sandeep said that in terms of strategic vision, West Midlands need to recognise that transport is a means to an end itself. He said the region wants to enable wider labour markets, providing access to skills and educational training which will also help to support regeneration and place shaping initiatives. Sandeep outlined the economic, social and environmental challenges that the West Midlands faced. In terms of how to address these, he outlined the need to meet the needs of customers – asserting that they have a specific agenda regarding technological changes for trains which include extensions to rail. He mentioned the light railway system, and the VLR innovation centre in Dudley. Other technological changes mentioned were hydrogen and electric buses, as well as the introduction of bike share schemes to induce a change in travel habits. Sandeep closed by touching on some of big projects currently being undertaken, mentioning Coventry as



the national research centre for batteries – which is proving to be a big catalyst for change in the Midlands.

Simon Craven, Special Adviser, Go-Ahead was next to speak. He argued three important aspects to examine were consumers, technology and money. He mentioned that in fact that there were fewer buses made than racing cars. The second big lens mentioned was consumer psychology – and the big changes that have taken place from a consumer perspective – particularly around the increased use of online activity. Simon said that this means consumers spend a lot of time engaging with an ecosystem that evolves very quickly. There has been a lot of change in technology – commercial aviation, buses and cars – but it has been too benign and incremental. Money was the final lens mentioned – and Simon alluded to the fact that ‘cheap money’ was a thing of the past, and that technology and mobility is changing faster than ever before.

The next panellist to speak was **Paul Buchanan, Transport Economist, Volterra**. He argued the case that transport is not just for travel purposes but also for space and growth. The more people that want to use a railway, the better the connectivity and supply. Paul said that rail was about capacity – and it has enabled development and created jobs which is a crucial part of the benefits. Transport is an enabler of growth, it does not create it out of nothing.

Paul mentioned that Birmingham still had a lot to do to meet its potential. He stated that Birmingham was the second biggest city in the UK but only eleventh in productivity, which was surprising given the closely correlated relationship between size and density. He mentioned the risk that HS2 posed of losing output to London, as economic activity might move away from Birmingham to London, and the low levels of qualifications and education. Paul said that in terms of innovation and technology, he wasn't sure that automated vehicles were going to make a big difference in city centres. People will drive much further with automated cars, but they are not going to have much effect in cities. Paul stated that a good starting point for Birmingham would be to introduce road pricing, and he alluded to Stockholm trial and subsequent successful referendum.

Stuart Edwards, Stakeholder Manager, Transport Focus was the next panellist to speak. He first alluded to a recent TF project to get more young people to use the bus – and they are keen to ask young people what it is they need from bus services moving forward.

Stuart mentioned that there were a number of barriers to stop people using public transport – and the answer to addressing those barriers was technology. Stuart said we can use technology to tell people the route of buses, how to get on a bus and other important information to make travelling a more accessible experience. The public transport industry could do more to interact with Google Maps. Stuart said that user testing is key. When it comes to testing, he encouraged attendees to remember segmented users. Finally, Stuart mentioned that technology needs to be made more assessible to people who lack the digital capability to connect.

The final panellist to speak was **Chris Perry, Intelligent Mobility and Smart Ticketing and Payments consultant, MaaS Global**. He opened by asserting that people want to have everything on demand, and that's what mobility services are about – moving away from traditional ways of buying products to a modern way. Chris mentioned Whim, a new app that will deliver customers the opportunity to have access to new innovative transport



services – which already has 20,000 users in Helsinki. In addition, Chris said that they were very proud to be working in the West Midlands.

The floor was then opened for questions. **Cllr Winnington** was first to ask a question to Chris Perry, asking how can rural areas benefit from apps like Whim. **Chris Perry** responded by admitting that what is currently in development works really well in cities, but he hopes that new services will be able to reach rural areas off the back of the success in cities.

Simon Mathieson, Business Development Director, Arriva Midlands, said that there is a discrepancy between West Midlands and East Midlands. He said that East Midlands was a lot more disjointed and creates uncertainty. He asked how we look at things in the broader Midlands context. **Graham Botham** answered saying that Midland Connect works pan-region and focussed on doing what's right for the Midlands as a whole. **Cllr Richard Worrall** asserted that we need to work together on the strengths that the Midlands have as a region and stop looking at other areas such as London and Manchester. **Claire Walters, Chief Executive, Bus Users UK** said there was an unwillingness from some communities to see themselves as part of other communities. She said that they won't work as one strategic partnership which is creating problems.

Next to comment was **Lynda Waltho, Midlands Regional Director, Confederation of Passenger Transport**, who talked about the importance of the political angle in this discussion – but it is the politics, the power and the will which will determine whether we progress or not. Lynda said that the West Midlands were much easier to work with than the East Midlands in terms of politicians. Devolution is much easier to sell in the West Midlands. She said in the East Midlands, it's much more about the politicians, for instance Derby is worried about Nottingham, and Nottingham is worried about Leicester. **Gerard Whelan** said in response that one of the things that the Transport Knowledge Hub can do is to share that sort of experience so that others can learn from it.

Gerard Whelan mentioned that the German transport department has rebranded itself as Department for Transport and Digital. He also said that the KPMG offices in Canary Wharf are a base for 7,000 people but the building on has 3,000 desks, indicating that working from home has changed, so that people were not making the same journeys as they used to.

Moving the discussion on, **Chris Perry** said that there has been a lot of transport tech investment in the private sector, and that one of the challenges is how the public sector can become an enabler and help attain investment to help improve technology and connectivity in more rural areas. He also mentioned that we need to recognise that a lot of innovation fails, but responding and learning is key to moving on quickly.

Cllr Ray Worrall stated he was hugely conscious in the decline of public transport in rural areas, saying that if you don't have connection in rural areas then people are isolated. **Simon Craven** said that reaching rural areas was not a technological issue but an economic issue. He said the reality is we can reach rural areas but at what price.

Closing the event, **Claire Haigh** thanked everyone for their lively input. Claire said there had been very useful information that came from the meeting, and lots to reflect upon, particularly regarding road pricing and the importance of getting the local politics right.