

Paper A

Meeting: West Midlands Rail Executive Board of Directors

Venue: 16 Summer Lane, Birmingham / Microsoft Teams

Subject: Minutes

Date: Tuesday 9 December 2025 at 10.00am

Present

Richard Parker (Chair)	- Mayor of the West Midlands
Councillor Pervez Akhtar	- Coventry City Council
Councillor Keith Allcock	- Sandwell Metropolitan Borough Council
Councillor Adrian Andrew	- Walsall Metropolitan Borough Council
Councillor Qaiser Azeem	- City of Wolverhampton Council
Councillor Richard Butler	- West Northamptonshire Council
Councillor Ken Hawkins	- Solihull Metropolitan Borough Council
Councillor Majid Mahmood	- Birmingham City Council
Councillor Peter Mason	- Staffordshire County Council
Councillor Karl Perks	- Worcestershire County Council
Councillor Simon Phipps	- Dudley Metropolitan Borough Council
Councillor Philip Price	- Herefordshire Council
Councillor Jennifer Warren	- Warwickshire County Council
Councillor Rob Wilson	- Shropshire Council

In Attendance

Councillor Daniel Cecil	- Staffordshire County Council
Councillor Sue Eacock	- Worcestershire County Council
Russ Cunningham	- West Midlands Rail Executive
Mal Drury-Rose	- West Midlands Rail Executive
Andrew Leo	- West Midlands Rail Executive
Roisin Lyons	- West Midlands Combined Authority
Ian McConnell	- West Midlands Trains
Tom Painter	- West Midlands Rail Executive
Toby Rackliff	- West Midlands Rail Executive
Peter Sargant	- West Midlands Rail Executive

14. Apologies for Absence

Apologies for absence were received from Councillor Mike Bird (Walsall), Councillor Liz Braithwaite (Cheshire East), Councillor George Finch (Warwickshire) and Councillor Ollie Vickers (Telford & Wrekin).

15. Minutes - 16 September 2025

The minutes of the meeting held on 16 September 2025 were agreed as a correct record.

17. West Midlands Trains

The board received an update from Ian McConnell, Managing Director of West Midlands Trains confirming improved performance, fleet upgrades and ongoing supply chain challenges.

Ian McConnell reported that passenger numbers on London Northwestern Railway and West Midlands Trains services had risen by 12% year-on-year in Q1 2025/26, with two million additional journeys, alongside improved performance driven largely by better driver availability and continued industry work on projects such as the Willenhall station and a proposed new service to Manchester Airport. He noted that the organisation would transfer into public ownership on 1 February 2026, with limited short-term change expected but greater future integration between business units, while also highlighting recent award successes, strong stakeholder-survey results and activity linked to the International Day for the Elimination of Violence Against Women. Members also discussed regional rail priorities, ongoing campaigning for new stations, the need for clearer alignment with local transport plans and the planned restart of the shires transport forum to support more co-ordinated engagement.

Resolved:

The report be noted.

[Councillor Majid Mahmood declared a personal interest in this item as he was a Director of Birmingham Airport Holdings Ltd.]

18. Board Leadership Group Progress Summary

The board considered a report from Mal Dury-Rose, West Midlands Rail Executive's Executive Director on the progress made by the Board Leadership Group during the previous quarter.

The introduction of the Railways Bill to Parliament on 5 November marked a significant milestone in the Government's rail reform programme, establishing the framework for Great British Railways and reaffirming the prominent role of mayoral bodies. The bill contained numerous provisions relating to mayoral combined authorities, while on-going work continued across the region on HS2 planning, the Midlands Rail Hub, requiring a forthcoming consultation on the closure of Bordesley Station, and the delivery of new stations. Progress also advanced on ensuring future schemes met passenger needs, including potential acceleration of key outputs and preparations for the opening of five new stations in early 2026.

Councillor Simon Phipps noted that the Railways Bill served mainly as an enabling framework for all mayoral authorities, and that work would continue with the Urban Transport Group to align positions. Councillor Adrian Andrew reported continued progress across a range of schemes, and Councillor Majid Mahmood described recent site visits to Moseley, Kings Heath and Pineapple Road stations, stating that the developments were impressive. Councillor Ken Hawkins welcomed recent

improvements in customer experience but stressed that further progress remained necessary.

Resolved:

The report be noted.

19. Transition of West Midlands Trains to Public Ownership

The board considered a report of the West Midlands Rail Executive's Russ Cunningham, Head of Rail Contract Management on the progress of the transition of West Midlands Trains to public ownership, including the Collaboration Agreement and Delivery Plan update.

The Department for Transport Rail Services team continued to deliver contractual compliance until its planned transfer to the new Department for Transport Operator Ltd organisation on 1 April 2026, as part of wider Government preparations for the introduction of Great British Railways. The National Rail Contract, which had replaced the former Franchise Agreement in 2021, was set to be superseded by a new Services Agreement that required similar operational duties, but removed performance-based financial incentives, prompting detailed scrutiny of its implications for Department for Transport Operator Ltd and West Midlands Rail Executive as co-clients.

Russ Cunningham indicated that no major changes were expected on 1 February, as the work was being treated as a straightforward "lift and shift". A new Collaboration Agreement from the Department for Transport was anticipated shortly and was due to be ratified by this board when it met on 22 January 2026.

Resolved:

The report be noted.

20. A New Way of Working with the Railway Industry

The board considered a report from Councillor Simon Phipps, Board Leadership Group Director for Local Accountability seeking approval for a new rail industry governance structure for the West Midlands.

Reform of the rail industry was expected to alter West Midlands Rail Executive's role, as the creation of Great British Railways would remove existing contracts that currently provided WMRE with funding and formal influence. This shift presented both risks and opportunities, offering the potential to strengthen WMRE's position whilst creating uncertainty about whether any future devolved role would match its existing powers or scope. In response, WMRE had worked proactively with Network Rail to shape future

arrangements, embed devolutionary principles, and make early progress towards a reformed railway ahead of national policy changes. The proposed structure consisted of three tiers, beginning with a political level led by the WMRE Board of Directors. A new senior officer forum, the West Midlands Integrated Rail Board, would be established to act under the direction of the WMRE Board of Directors. Beneath this, a delivery-level Customer Delivery Board would replace the former Grand Railway Collaboration Strategic Board, co-ordinating industry workstreams responsible for implementing change across defined subject areas.

Councillor Simon Phipps explained that West Midlands Rail Executive had been awaiting clarity on the extent of its future local commissioning role under Great British Railways, and that the proposed governance changes had been designed to position WMRE at the heart of a rapidly evolving rail industry. It was noted that a role profile and candidate criteria would be developed for the positions of independent chair, and that the new arrangements would be used to shape and communicate shared priorities, acknowledging that the proposal remained 'in principle', pending the formal approval of the various terms of reference.

Resolved:

- (1) The report be noted.
- (2) The proposed new governance structure be approved.
- (3) It be agreed that the West Midlands Integrated Rail Board and the Customer Delivery Board be chaired by an independent person.

21. Fares and Ticketing Reform

The board considered a report from Councillor Majid Mahmood, Board Leadership Group Director for Fares, Ticketing & Growth.

West Midlands Rail Executive had developed a package of fare changes to support the introduction of Pay-As-You-Go ticketing, consistently advocating the removal of 'pm peak' restrictions due to the significant benefits for passengers. Despite submitting a detailed business case in April, the Department for Transport rejected the proposal in September without allowing WMRE to challenge operators' concerns, and subsequently dismissed WMRE's formal challenge. WMRE's analysis indicated that the operators' concerns were overstated, showing minimal additional peak patronage and suggesting that retaining 'pm peak' restrictions would exacerbate overcrowding on certain services, particularly the 1803 CrossCountry service from Birmingham New Street to Bournemouth.

Councillor Majid Mahmood reported that, as Pay As You Go proposals had been delayed until 2027, any associated ticketing changes should also be postponed. Peter Sargant noted that West Midlands Rail Executive had contributed to the Government's emerging fare proposals, cautioning that these would require fare increases to maintain cost neutrality and expressing concern about poor engagement from the Department for Transport. The Chair expressed his full support for continuing the campaign for the removal of 'pm peak' restrictions, while seeking to identify the obstacles hindering progress.

Resolved:

- (1) That correspondence with the Rail Minister had resulted in a further rejection of removing 'pm peak' restrictions be noted.
- (2) It be noted that this would have serious negative impacts for rail passengers, initially in the Transport for West Midlands area and then more widely across the West Midlands Rail Executive area.
- (3) That this decision could not be easily undone and would affect the region for decades to come be noted.
- (4) It be noted that the rationale for rejecting the West Midlands Rail Executive proposal remained extremely tenuous and the Department for Transport had not shared any data supporting its position, and that the Executive Director has written to Department for Transport senior officials on this matter and a response was awaited.
- (5) A further briefing note be prepared for the Mayor and that he meet with West Midlands Rail Executive officers in the new year, ahead of the Mayor seeking a further meeting with rail ministers on this matter.
- (6) It be noted that the public launch of the West Midlands Pay-As-You-Go scheme had slipped into early 2027.
- (7) Concern be expressed that West Midlands Trains had unilaterally withdrawn the evening £3.50 flat fare in the Transport for West Midlands area without consultation for the period in the run up to Christmas.

22. 2024/25 Annual Audited Accounts for West Midlands Rail Ltd

The board considered a report from Tom Painter, West Midlands Rail Executive's General Manager seeking approval of the West Midlands Rail Ltd's accounts for 2024/25.

The financial statements for West Midlands Rail Ltd for the period 1 April 2024 to 31 March 2025 were presented, accompanied by the auditors' Letter of Representation. Income totalled £1.141m, including funding contributions from the Department for Transport, partner authorities and an in-kind contribution from the WMCA, while expenditure of £1.216m resulted in a post-tax deficit of £75,000 and no Corporation Tax liability. The balance sheet showed net assets of £973,000, and the accounts were due to be filed at Companies House following approval.

Resolved:

- (1) The West Midlands Rail Ltd's draft accounts for the 2024/25 financial year be approved.

- (2) A director of West Midlands Rail Ltd be authorised to sign the 2024/25 West Midlands Rail Ltd's accounts and ancillary documents prior to filing at Companies House.

23. 2026/27 Budget

The board considered a report from Mal Dury-Rose, West Midlands Rail Executive's Executive Director on the proposed 2026/27 budget, including partner authority contributions.

West Midlands Rail Executive had continued its planned reduction of the budget surplus accumulated during the COVID-19 pandemic, drawing down a further £430,000 from reserves to support forthcoming consultancy, study, survey and data-analysis work. Several operational activities, including work related to station sponsorships and feasibility studies, remained funded through external sources such as the Transport for West Midlands capital programme and the City Region Sustainable Transport Settlement allocation. The WMCA's quantified in-kind contribution decreased from 2025/26, reflecting an anticipated shift in 2026/27 towards wider regional priorities rather than Transport for West Midlands-specific rail work, while overall staff costs remained consistent with the previous year aside from inflationary adjustments.

Resolved:

- (1) The report be noted.
- (2) The intention to hold partner contributions at their current level be noted.
- (3) The proposed 2026/27 budget be approved.

24. Update on Midlands Connect

The board considered a report from Toby Rackliff, West Midlands Rail Executive's Strategic Lead for Rail Policy on the Department for Transport's decision to withdraw funding from Midlands Connect by April 2027, the implications of this for rail workstreams, and the implications for future joint strategic transport working between local authorities across the wider Midlands region.

Midlands Connect had influenced transport strategy and investment priorities across the Midlands, but the Government's English Devolution & Community Empowerment Bill set out a new approach that strengthened the role of Mayoral Strategic Authorities. The Department for Transport subsequently revised its model for working with strategic authorities and sub-national transport bodies, confirming in September 2025 that core funding for such bodies, including Midlands Connect, would end in March 2027, with only reduced transitional funding available for 2026/27 and a requirement for a Transitional Work Plan. While pan-regional transport planning was not intended to cease, individual authorities were expected to decide how to collaborate and fund such work, as the £5m per annum previously allocated to Midlands Connect would not be ring-fenced for redistribution.

Resolved:

- (1) The report be noted.
- (2) West Midlands Rail Executive continue to ensure that the interests of all board member authorities were represented in discussions on future structures for the co-ordination of pan-regional transport strategy and early stage major scheme business case development.

25. WMRE Business Update Report

The board considered a report from Mal Drury-Rose, West Midlands Rail Executive's Executive Director on progress against West Midlands Rail Executive's objectives since the last board meeting in September.

Following successful lobbying, the Caledonian Sleeper confirmed that its Highland Sleeper service would begin serving the West Midlands from 15 January 2026, including a stop at Birmingham International. Communications and engagement activity had been particularly busy, especially around devolution and the Railways Bill, with West Midlands Rail Executive playing a prominent role at events hosted by the Railway Industry Association, the New Statesman and Amazon. West Midlands Railway completed the £70m upgrade of the Tyseley train maintenance depot, whilst the WMCA Board agreed the budget envelope for improvements at Witton and Aston stations.

Mal Dury-Rose reviewed the key activities set out within the report, including several new open-access route applications that had raised concerns, including the proposed Wexham, Shropshire & Midlands Railway service of four trains from Wrexham to Euston, which linked several stations and was to be supported in principle. Councillor Rob Wilson welcomed the proposal as it provided Shropshire with a direct route to London, and Toby Rackliff noted that Lumo were intending to introduce five new direct services from Nuneaton to London, alongside additional services to Scotland.

Resolved:

The report be noted.

26. Forward Plan

A plan of items to be discussed at future meetings was noted.

27. Date of Next Meeting

Thursday 22 January 2026 at 2.30pm.

[The meeting ended at 11.40am]