RailBusinessDaily

Appeal for financial support for trams and light rail

April 20, 2020



There are calls for regional light rail services to receive same level of support that other train operating companies have received during the coronavirus crisis.

Metro light rail systems are losing millions of pounds a month which are currently not covered by the Treasury's support for rail operators during the lockdown.

The Metro needs a £10m bailout by July as passenger numbers have dropped by 95% since the start of the lockdown.

It costs £104m a year to operate the Tyne and Wear Metro system, with £48m a year coming in from fare revenue.

A spokesman from Nexus, which runs the Tyne and Wear Metro system, said: "We remain in active discussions with the Government over obtaining the necessary financial support for the Tyne and Wear Metro.



"Many key workers, including NHS staff, are relying on the Metro service to get to work during this crisis. Public transport staff are themselves classed as key workers and are performing some vital roles out on the frontline.

"We have made clear to ministers and civil servants the significant challenges that we face, and we are seeking the same level of support that other train operating companies have received."

It is a similar situation for Metrolink in Manchester that has seen the number of passenger journeys decrease from 140,000 per day to less than 10,000.

As a result, and to ensure there is sufficient resilience amongst staff to maintain a core service, Metrolink has reduced the frequency of services; from six to 12 minutes initially and then to a 20-minute frequency. More trams are also running as 'doubles' to help with social distancing.

Currently Metrolink operates without subsidy, with the money generated from fares being used to operate the network and repay the borrowing used to expand the system.

Mayor of Greater Manchester, Andy Burnham, said: "While it's reassuring that so many people are adhering to the advice not to travel unless it's absolutely essential, the transport industry has – like so many others – been significantly impacted by the loss of revenue.

"We are facing a very serious financial challenge and Transport for Greater Manchester (TfGM) and operator Keolis Amey Metrolink (KAM) are having to make tough choices to reduce monthly costs.

"While Metrolink has a proud history of operating without financial subsidy, the current crisis means that is no longer a viable or sustainable option.

"The government has already stepped in to bail-out bus and train operators, so it is only right that a similar package is offered to light rail networks.

"Talks have been ongoing with the DfT for several weeks, and I will continue to press them on this urgent matter until something similar is made available to us, as is right and proper."

A Department for Transport spokesperson said: "We are aware of the challenges faced by light rail operators, and continue to work closely with the sector and local authorities on the best solution for passengers."

Photo credit: Nexus