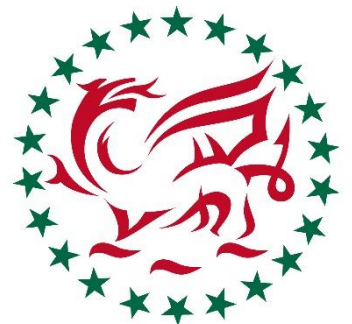




Improving Public Transport in Wales consultation response

27th March 2019



CLILC • WLGA

Introduction

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities and the three fire and rescue authorities are associate members.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. We welcome the opportunity to respond to Welsh Government's consultation document on Improving Public Transport in Wales.

Response to questions

4. WLGA's response deals with the 38 questions in the consultation document in blocks, as many of the comments relate to more than one question. Local authorities (LAs), individually and in their regional groupings have responded in detail to the questions; the WLGA's response is intended to *supplement* those rather than duplicate. The response is based on discussions at meetings of (i) the chairs of LAs' four regional transport bodies (ii) all Transport Cabinet members and (iii) the WLGA Council. At these meetings, it was noted that the Regulatory Impact Assessment is yet to be published and will be needed to inform the next phase of discussions.

5. Questions 1-5

Q1. Do you agree that it is important for local authorities to work together with regard to local bus services?

Q2. Please provide comments on the proposed organisational structures.

Q3. Is there another organisational structure for JTAs that we should consider?

Q4. Do you have any comments on the proposal that the Welsh Ministers should be represented on a JTA or any committees of a JTA?

Q5. Do you have any comments on the proposals that the Welsh Ministers should have powers to issue guidance and directions, and to intervene where a JTA is failing to exercise its functions effectively?

6. WLGA recognises that there is already good collaboration between local authorities (LAs) in relation to bus services. The ATCO network brings officers from all LAs together to discuss issues relating to bus services across Wales. The four previous Regional Transport Consortia saw Members working together to agree joint approaches. More recently, each of the four regions of Wales involved in City Deal and Growth Deal bids (Cardiff Capital Region, Swansea Bay City region, Growing Mid Wales and the North Wales Economic Ambition Board area) has re-established a regional transport body.
7. The consultation document suggests the formation of one national JTA and with regional delivery boards or a national JTA with three separate regional JTAs. WLGA's views are as follows:
 - Given the range of bodies that would expect to be involved (including not only the 22 local authorities but also partners, stakeholders, user groups) a national JTA would be too large and unwieldy to work effectively. It would present a range of logistical difficulties when trying to arrange meetings (e.g. simply finding convenient meeting dates and venues; distances involved attending meetings).
 - There should be four regional bodies not three. Linking Mid Wales to South West Wales makes no sense and fails to recognise the specific challenges facing bus services in rural Mid Wales (where virtually all bus services are subsidised). From a transport perspective, Mid Wales has significant links to the north, the south west and into the south east Wales Valleys and coastal belt. There should be scope for flexibility, too, in relation to involvement on the four bodies to reflect cross-border interests. For example, Gwynedd has historical involvement in both Mid Wales and North Wales. It is vitally important to recognise that 'one size does not fit all' and local variations are respected.
 - The Minister and Deputy Minister recently had a very constructive meeting with the chairs of the four City/Growth Deal areas. A similar arrangement could be used instead of a national JTA, bringing together the four regional transport chairs to discuss matters of national co-ordination. There would also be scope, and strong justification, to hold joint meetings covering both transport and economic development given the strong inter-dependencies
 - Given that there are already regional transport bodies in place or under development by LAs in each of the four regions, a discussion is needed as to their relationship to any JTAs. Would JTAs be established in addition to the existing bodies or build on

them? Would non-local authority representatives have any voting rights or would they be advisory (in a similar way to the Economic Growth Partnerships alongside City?/Growth Deal partnerships)? In principle, WLGA supports ongoing discussions on the formation of JTAs but believes these vitally important governance arrangements need to be worked through jointly with Welsh Government before the next White Paper is produced. In any event, and as an absolute minimum, local authority elected Members would have to be in the majority on any new or enhanced bodies that are established.

- The level and certainty funding of available for JTAs will be critical to their success. For example, current funding arrangements (via annual settlements) do not reflect the minimum timescales for statutory Bus Quality Partnerships (5 years). Likewise, Government decisions around programming and prioritisation of transport investment should involve the JTAs, with statutory Regional Transport Plans (RTPs) establishing regional priorities and eliminating the need for bidding for strategic transport projects. Ongoing 5-year funding arrangements should be agreed for delivery of the RTPs.
- The close involvement of the Welsh Government and the Minister/Deputy Minister in joint planning of bus services (and potentially more) is most welcome. Given the various levers that Welsh Government already controls in relation to transport funding, legislation and guidance there should be no need for direct representation on regional JTAs. Indeed, if Ministers are going to reserve the right – as a last resort - to intervene in the work of JTAs it is important that their independence is preserved (and any potential conflict of interest is avoided) and they are not members.

8. Questions 6-7

Q6. Is the proposed division of national and regional functions appropriate?

Q7. Should any other transport functions be transferred to a JTA?

9. It may be best, initially, to focus on a limited number of areas related to bus services and allow roles to develop over time in light of experience. However, WLGA's overriding view is that decisions about regional and national functions should be agreed through a process of Welsh Government-LA co-production, based on available evidence. This process should be formalised and ongoing, given that circumstances will change over time. There certainly should not be any attempt to enshrine the allocation of national and regional functions in legislation.

10. It is important that Welsh Government and LAs work on this together in a non-hierarchical way, recognising that both parties have legitimate interests and accountabilities. There will be some functions that are clearly best dealt with at a national level, some at regional and others at the local level. The local level functions are just as crucial as, and no less important than, the national ones: the whole system has to work effectively.

11. Questions 8-17

Q8. Do you think that legislation is required to secure the benefits of enhanced partnership working?

Q9. Do you agree with our proposals for EQPs, in particular the proposed process for developing and making EQPs?

Q10. Do you think that the proposed scheme provides a more workable option for the franchising of local bus services?

Q11. Do you think there should be a requirement for the assessment to be subject to an independent audit?

Q12. Do you have any other comments on the proposed process for franchising?

Q13. Do you have any comments in relation to the proposals for the issuing of permits in circumstances where franchising arrangements are in place?

Q14. Do you agree that as part of any arrangements to let franchise contracts, specific consideration should be given to how SMEs can be enabled to be involved in the procurement process?

Q15. What transitional arrangements should be considered in order to ensure that bus services are not compromised during the process of preparing to franchise?

Q16. Do you think that local authorities should be able to run bus services directly (i.e. in-house services)? In what circumstances do you think this would be appropriate? What, if any, safeguards do you feel ought to be put in place with in-

house services to ensure that no local authority has an unfair advantage in a deregulated market, and why?

Q17. Do you think that local authorities should be able to set up arm's length companies to operate local bus services? In what circumstances do you think this would be appropriate? What, if any, safeguards do you think should be put in place with arm's length bus companies to ensure that no local authority has an unfair advantage in a deregulated market, and why?

12. Proposals in relation to EQPs (and the relaxation of the current requirements on LAs to invest) are welcome in that they would provide another 'tool in the box' for LAs to use where appropriate. However, the issue of the level of funding that will be made available to LAs to support bus services is vital to our response to all of the above block of questions. Without significant additional investment in bus services (comparable to the major investment in rail currently underway) it is difficult to envisage anything other than marginal changes arising from new voluntary or legislative arrangements. For example, BSSG has been frozen at £25m for a number of years now, representing a cut in real terms.
13. Likewise, in current circumstances, and with no extra resources, it is difficult to see many individual LAs being in a position to operate their own bus services – especially if commercial operators have already been unable to sustain services. A regional level approach to plugging service gaps might offer an alternative approach – or possibly a single 'national operator of last resort' but, once again, the availability of funding to support such operations would be critical.
14. The White Paper stops short of suggesting a more radical option of re-regulating bus services. There is a case for this more radical option, although the financial implications would be significant and would need to be fully investigated. It could, however, help ensure that available resources are directed in the most efficient way to achieve a range of services that meets identified needs. This option could also be pursued in ways that provide opportunities for smaller bus operators. There have been closures of a number of these small companies over recent years and any new arrangements need to find ways of sustaining their operations (e.g. by including cross-ticketing so that connecting services become viable). Once the larger operators establish an effective monopoly position in a deregulated market it becomes very difficult for LAs to achieve the mix of services they desire. Indeed, LAs can be placed in an impossible position when operators threaten to withdraw commercial services that an LA believes to be essential. If LAs

invite tenders for the routes on a subsidised basis, they can find the same operator coming forward and re-securing the contract – effectively shunting costs onto the LA (as well as the council having to take on the risk of being blamed by the travelling public if the service does eventually have to be terminated).

15. **Questions 18-19**

Q18. Do you agree with the Welsh Minister's proposal to align entitlement to a mandatory concessionary fares pass with a woman's pensionable age?

Q19. Do you agree that an incremental change is the most appropriate method?

16. WLGA understands the rationale behind the proposal of CF entitlement and agrees in principle that there is a need to find ways of ensuring concessionary fares operate on a basis of equity that can be supported on a long-term basis. However, there are other ways in which this could be achieved, and these have not been offered up as alternatives. For example, in previous consultation responses on CF, WLGA has suggested looking at options such as restricting the hours when cards can be used or introducing a small one-off or annual charge for cards. Another alternative might be to use a form of 'smart card' that has a capped allocation for an individual for the year. If that allocation is used up then charges could start to be applied. WLGA would prefer to see consideration of these options, including consultation with stakeholders, to assess what is the best way forward.
17. The 'incremental' approach suggested is not entirely clear. Could it mean, for example, that some individuals find themselves losing out each year as the age limit is raised just before they reach it?

18. **Questions 20-21**

Q20. Do you agree with our proposal to require the release of open data on routes, timetables, fares and tickets?

Q21. Do you agree with our proposal to enable local authorities to have the power to obtain information on services which are to be cancelled or varied, and where appropriate, disclose this information as part of tendering process?

19. WLGA support the proposals in relation to the release of information and believes these to be long overdue. Ways need to be found that minimise the level of bureaucracy for operators (e.g. national or regional approaches – such as working with Traveline Cymru - instead of having to respond to all 22 LAs). If there are technological approaches (e.g. using GPS data) that enable this to be done automatically then (subject to commercial confidentiality issues) these should be explored. Release of the data could be made a condition of grant payments to operators.
20. **Questions 22 – 38 about taxis and PHVs**
21. As a general point, WLGA supports the goal of achieving more consistent standards across Wales wherever that is possible, whilst also recognising the need to recognise and allow for some local variations to reflect, for example, differences between rural and urban areas. WLGA also recognises the extremely important role played by Licensing Committees in each LA, where local knowledge, intelligence and contacts are vital.
22. The Licensing Expert Panel has prepared detailed responses to all of the above questions. Each region has deferred to their expert knowledge and endorsed the points in their response to this consultation. Likewise, WLGA fully supports their submission. There is a lack of detail in this section of the consultation document and further dialogue would be essential before any of the proposals could be taken forward.

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