

Economy, Infrastructure and Skills
Committee

Taming the traffic: The Impact of Congestion on Bus Services

July 2017



National Assembly for Wales
Economy, Infrastructure and Skills Committee

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The Committee was established on 28 June 2016 to examine legislation and hold the Welsh Government to account by scrutinising expenditure, administration and policy matters, encompassing (but not restricted to): economic development; transport; infrastructure; employment; skills; and research and development, including technology and science.

Current Committee membership:



Russell George AM (Chair)
Welsh Conservative
Montgomeryshire



Hannah Blythyn AM
Welsh Labour
Delyn



Hefin David AM
Welsh Labour
Caerphilly



Vikki Howells AM
Welsh Labour
Cynon Valley



Mark Isherwood AM
Welsh Conservative
North Wales



Jeremy Miles AM
Welsh Labour
Neath



Adam Price AM
Plaid Cymru
Carmarthen East and Dinefwr



David J Rowlands AM
UKIP Wales
South Wales East

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Chair's foreword / Summary

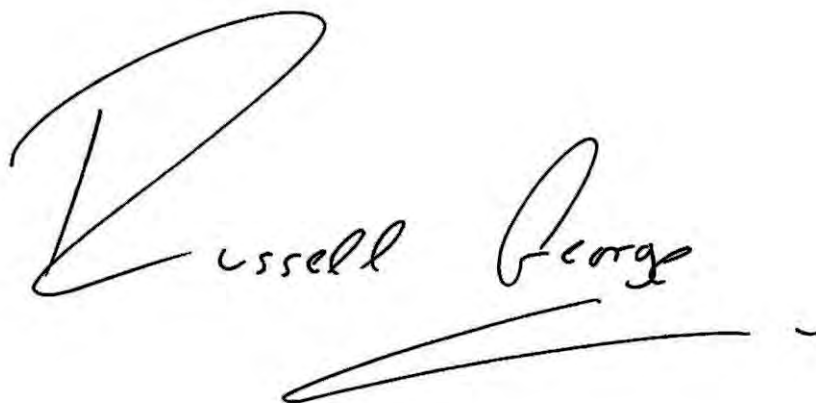
The Cinderella of public transport, the bus is often overlooked when we talk about our transport network. Yet the bus carries more passengers than any other form of public transport, and is an indispensable tool for workers, learners, shoppers and leisure travellers in their daily lives.

This short inquiry was designed to take a quick but detailed look at congestion – an issue which is causing real problems for the bus industry and has huge knock-on effect on the economy, environment and health of the people of Wales.

Our conclusion is simple – at heart this is an issue that requires stronger political will. Broadly speaking, the powers, levers, and legislation are in place. What we need now is a Welsh Government action plan which pulls together what works, and encourages local authorities to adopt and adapt good practice.

This report details all the things we want to see in the action plan. Progress needs to be made urgently, if we are to address the decline in bus services in Wales and ensure we have a public transport system fit for current and future generations.

We are grateful to all those who provided evidence to this inquiry, and hope that our report adds to the weight of evidence that is making such a strong case for action.

A handwritten signature in black ink that reads "Russell George". The signature is written in a cursive style with a large, sweeping initial 'R' and a long horizontal flourish underneath the name.

Russell George AM
Chair
Economy, Infrastructure and Skills Committee

Recommendations

Recommendation 1. The Committee recommends that, as a matter of urgency, the Welsh Government should develop and publish an action plan to set out how it will tackle the impacts of traffic congestion on the bus industry in Wales. The plan should include:

- Recognition of the scale and extent of the impacts of congestion on the bus industry in Wales, and a firm commitment to tackling the issue.
- Clear strategic direction for highway authorities and bus operators on the action needed to address the impacts of congestion on bus services.
- Details of the Minister’s commitment to undertake further work to understand the root causes of the issue, encompassing both urban and rural areas. This knowledge should be used to shape the required solutions.
- How Welsh Government will support local authorities to work in partnership with bus operators to develop and implement bus priority measures, including changes to funding to ensure long term, sustainable solutions.
- Welsh Government’s requirements for bus operators to be more transparent and open about their revenues as a condition of receiving support under the Bus Services Support Grant.
- Guidance for local authorities on how to establish and maximise the effectiveness of bus quality partnership schemes. Suggestions as to how local authorities can work in a cross-boundary way, using new and existing mechanisms including local and regional planning, to ensure congestion impacting bus services is tackled on a regional basis.
- Assessment of the full range of tools available and how useful they might be in tackling congestion’s impact on Welsh bus services, including: implementation of park and ride schemes, congestion charging, enhanced parking charges, workplace parking levies, and bus priority measures.
- Plans for a national awareness raising campaign to encourage a modal shift in transport choices in both urban and rural areas, recognising the unique challenges presented by different settings. This must sell the benefits of travelling by bus where this is a viable transport option. Encouraging people out of their cars and onto the bus is a crucial step in providing a sustainable, high quality, reliable bus service for current and future generations.

01. Introduction

1. “Traffic congestion is a disease which if left unchecked will destroy the bus sector”. This is the conclusion of the seminal work on the impact of congestion on bus passengers, written by Professor David Begg for Greener Journeys in 2016.
2. The impact of congestion on the bus industry was discussed at length during Wales’ first bus summit in January 2017. It is a major area of concern for bus operators, and was discussed in the context of significant recent declines in both passenger numbers and services in Wales.
3. Registered bus services in Wales declined by nearly half over the last decade, from 1,943 services in March 2005 to 1,058 in March 2015.¹ The number of bus passenger journeys declined by around 19% between 2008 and 2015.
4. Bus travel accounts for over 80% of public transport in Wales, and Bus Users Cymru describes bus services as a “vital lifeline” for those without a car. This is equally the case for those who live in rural areas where rail is often not a viable transport option.
5. Bus speeds are declining faster than any other mode of transportation. It is indisputable that slower journey speeds make bus travel less attractive to customers. Poor service reliability is often caused by congestion along the route. Illustrative of this, statistics from Stagecoach show that there has been a 2mph (13%) decline in bus speed between 1995 and 2015, resulting in the requirement for 6 additional buses (an increase of 26%) to maintain the same level of service.
6. Whilst congestion might be seen as an urban issue, it and its impacts are geographically widespread in Wales. Congestion has a number of effects; it increases journey times, makes bus trips unpredictable, increases operational costs (and subsequently fares), undermines passenger confidence, and reinforces negative perceptions of the bus. The causes of congestion are many and varied, but evidence suggests it is related to increasing car ownership, uncoordinated roadworks, the growth of private hire vehicles, out of town retail centres, and the proliferation of online shopping and associated delivery vans. Whatever the cause, it is evident that congestion has dire impacts on the bus industry, not just in Wales, but across the UK. **Recent work**² by the London Assembly on reducing traffic congestion in the city found that increased use of buses can help relieve congestion, but usage has fallen as a result of reduced reliability.
7. There are examples of significant investment in the bus industry, the quality of vehicles is improving, and the legislation to support a modal shift to sustainable public transport is in place. Given this, the Committee was keen to explore why numbers of bus journeys have fallen consistently over the past few years and what can be done to combat congestion to maintain and improve bus services for the people of Wales.

Background to the inquiry

8. The Welsh Government held its first **Bus Summit** in Wrexham in January 2017. The aim of the summit was to discuss how best to develop an improved, more sustainable bus industry for Wales. One of the recurring themes of the summit was the continued and unrelenting negative impacts of congestion on the bus industry in Wales, and how to tackle the issue.

¹ Figures from the **Traffic Commissioners’ Annual reports (Table 13, 2014-15, and Table 14 2004-5)**

² London stalling: reducing traffic congestion in London, London Assembly, 2017

9. During the Fourth Assembly, the Enterprise and Business Committee undertook a number of inquiries that addressed transport issues, including work on Active Travel and Integrated Public Transport. This inquiry on bus congestion continues this thread of work.

10. The terms of reference for the inquiry were:

- How does congestion affect the bus sector in Wales and how does this compare to other parts of the UK?
- How should policy be improved to address the impact of congestion on the bus sector?
- Whether congestion has an impact on the need for public subsidy of bus services in Wales.

11. The Committee’s consultation ran from mid-April to early June 2017. Written evidence was received from Bus Users Cymru, Stagecoach, Association of Transport Co-ordinators Cymru (ATCO), Welsh Local Government Association (WLGA), Professor Stuart Cole, the Confederation of Passenger Transport Cymru (CPT), and The TAS Partnership.

12. The Committee took oral evidence from Cardiff Bus, CPT, The TAS Partnership, WLGA and ATCO Cymru on 29 June, and from the Cabinet Secretary for Economy and Infrastructure on 13 July.

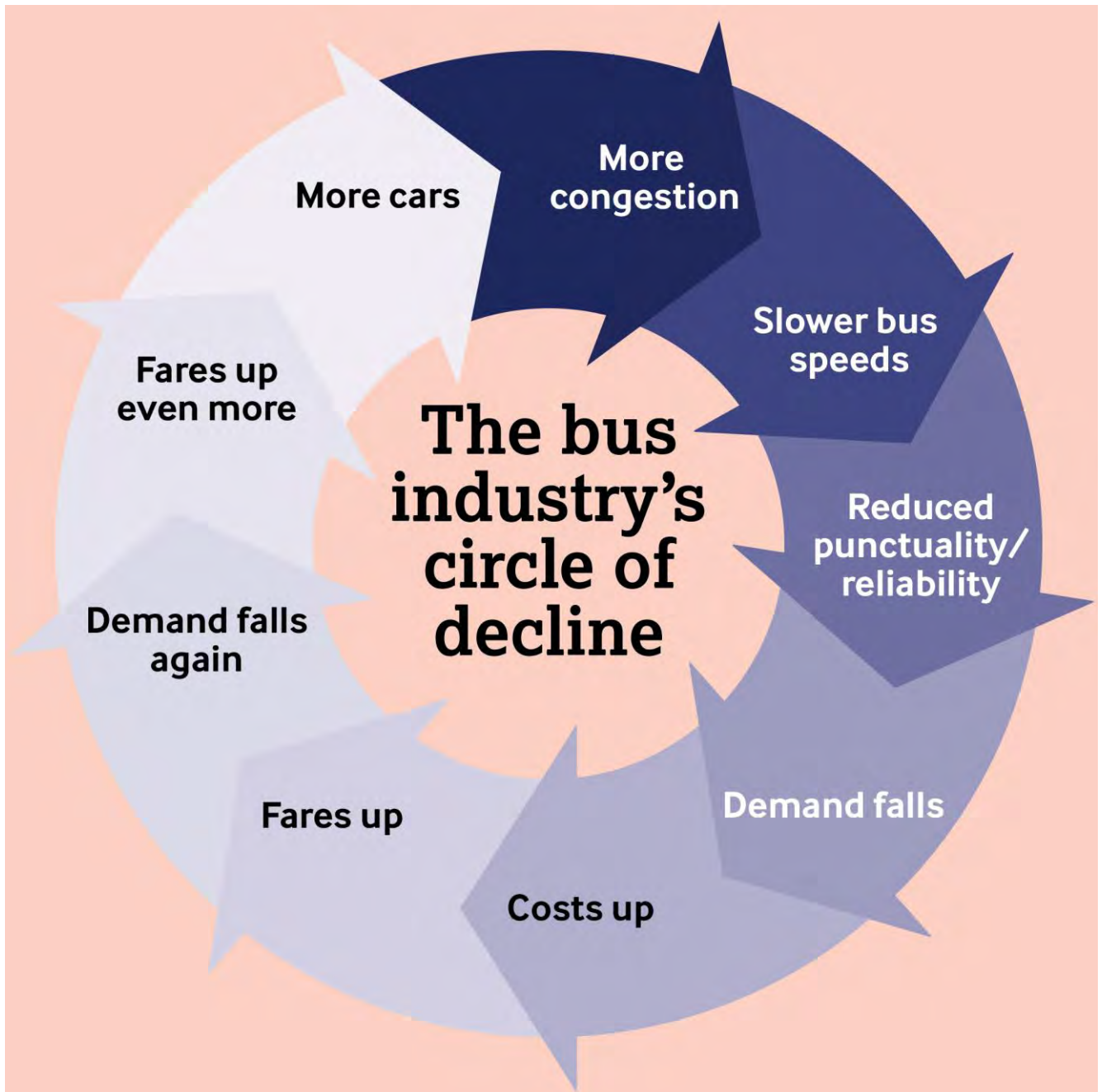
13. From the evidence the Committee has produced a single recommendation.

Recommendation 1. The Committee recommends that, as a matter of urgency, the Welsh Government should develop and publish an **action plan** to set out how it will tackle the impacts of traffic congestion on the bus industry in Wales. The plan should include:

- Recognition of the scale and extent of the impacts of congestion on the bus industry in Wales, and a firm commitment to tackling the issue.
- Clear strategic direction for highway authorities and bus operators on the action needed to address the impacts of congestion on bus services.
- Details of the Minister’s commitment to undertake further work to understand the root causes of the issue, encompassing both urban and rural areas. This knowledge should be used to shape the required solutions.
- How Welsh Government will support local authorities to work in partnership with bus operators to develop and implement bus priority measures, including changes to funding to ensure long term, sustainable solutions.
- Welsh Government’s requirements for bus operators to be more transparent and open about their revenues as a condition of receiving support under the Bus Services Support Grant.
- Guidance for local authorities on how to establish and maximise the effectiveness of bus quality partnership schemes. Suggestions as to how local authorities can work in a cross-boundary way, using new and existing mechanisms including local and regional planning, to ensure congestion impacting bus services is tackled on a regional basis.
- Assessment of the full range of tools available and how useful they might be in tackling congestion’s impact on Welsh bus services, including: implementation of park and ride schemes, congestion charging, enhanced parking charges, workplace parking levies, and bus priority measures.
- Plans for a national awareness raising campaign to encourage a modal shift in transport choices in both urban and rural areas, recognising the unique challenges presented by different settings. This must sell the benefits of travelling by bus where this is a viable transport option. Encouraging people out of their cars and onto the bus is a crucial step in providing a sustainable, high quality, reliable bus service for current and future generations.

02. Impacts of congestion

14. The impacts of traffic congestion on bus services are widespread. Through its review of the impact of congestion on bus passengers, pro-bus campaigners Greener Journeys set out to quantify the extent of the problem and its impact on the bus sector. The interconnectedness of congestion and bus services is summed up in the report, which states that the evidence led to the conclusion that “traffic congestion is a disease which if left unchecked will destroy the bus sector”:



15. Bus operators are forced to respond in one of two ways: to either attempt to maintain service frequency (with the associated increase in costs) or operate services at a lower frequency. The Committee heard from CPT Cymru and ATCO Cymru that every 10% decrease in journey time results in at least a 10% decrease in patronage.

16. The Committee heard from Cardiff Bus that their two biggest costs are fuel and labour, and that when traffic speeds reduce they need more paid hours and fuel to deliver the same service. This

ultimately has the knock on effect of increased fares for bus users, making the bus a less attractive transport option.

“If our costs go up, the only way that we can recoup revenue is to increase fares. Having said that, we haven’t actually increased fares since 2014, because we’re mindful that our patronage is very sensitive to fares. You could say it’s a last resort, but it’s probably not too far in the future that we will need to consider increasing fares again—not just because of inflationary pressures, but because of the extra costs that we’re facing because of congestion.” – Richard Davies, Cardiff Bus

17. There has been limited Wales-specific work undertaken to assess the impacts of bus congestion in Wales. In particular, the Committee heard from the TAS Partnership and the WLGA that further work is needed to understand why people choose to use the car rather than the bus, particularly in terms of developing a qualitative understanding of the impact of congestion on travel choices.

18. The Committee heard that the Cabinet Secretary is currently considering a proposal from Transport Focus to undertake some work in this area. He indicated that whether this proposal was supported, or the Cabinet Secretary needed to commission alternative work, results would be likely to be published early in 2018. The Welsh Government is also undertaking some modelling work to better understand day-to-day issues.

19. On the scale of the issue across Wales, evidence from CPT Cymru, referring to the findings of the Greener Journeys report, suggested that “there is neither reason nor evidence to suggest that the situation in Wales is any different to the overall UK position”, a view supported by ATCO. Several witnesses highlighted that congestion is an issues in both urban and rural areas. In its written evidence, the TAS Partnership highlighted that:

“It must not be assumed that serious delays due to congestion are restricted solely to urban areas or locations where routes cross the Strategic Road Network (SRN). It is our experience that congestion often begins outside the town or city, with several examples of services in smaller towns and villages having to be retimed to handle the effects of this congestion.”³

20. Charlie Nelson from the Association of Transport Co-ordinators (ATCO) Cymru noted that congestion is an issue of scale, with longer peak congestion periods in large cities like Cardiff and Newport compared to smaller towns. The Cabinet Secretary acknowledged that issues were greater in areas with greater traffic intensity.

Environmental impacts

21. The latest Welsh Government greenhouse gas **emission figures** show that, in 2014, transport was responsible for 12.77% of total emissions in Wales, second only to emissions from the business sector. There has been little improvement over the years, with transport emissions for 2014 being only slightly lower than the 1990 baseline.

22. There is a strong, proven link between congestion, increased emissions and reduced local air quality. Slower journey speeds are less productive, use more fuel, ultimately resulting in increased

³ Written evidence

emissions. CPT Cymru's evidence stated that "in nose-to-tail traffic, tailpipe emissions are four times greater than they are in free flow traffic". Wales has ambitious decarbonisation commitments under the Environment (Wales) Act 2016, and an ambition to achieve a sustainable, low carbon future set out in the Well-being of Future Generations (Wales) Act 2015. Transport has a key role to play in fulfilling Wales' duties under the Acts. Hitting those targets will require persuading people to swap the private car for public transport, so action to address congestion has the potential to make a real difference.

23. The Greener Journeys report suggests that the "quickest and most cost effective solution to our air quality epidemic is to put the bus at the centre of the [air quality] strategy", and that bus priority measures can deliver 75% fewer emissions per bus passenger km than for car passengers.

Economic impact

24. Written evidence to the Committee emphasised the links between transport efficiency and economic growth, including the assertion that the way the road system is managed in urban areas is bad for urban economies. Stagecoach asserted that lower productivity due to slow journey speeds deters new employment, potentially reducing business rate revenues, and results in overall negative effect on local economies. It states that this has a cumulative negative impact on local authority revenue budgets and expenditure on passenger transport including facilities at bus stops and stations.

25. The UK Government has recognised the link between congestion and productivity and, as part of the National Productivity Investment Fund announced in the 2016 Autumn Statement, outlined £2.6 billion to "tackle congestion and ensure the UK's transport networks are fit for the future". The Autumn Statement announced that this and a number of other decisions to invest in infrastructure spending means the Welsh Government's budget will increase by £400 million through to 2020-21 to be allocated according to its own priorities.

26. Responding to the subsequent announcement of a £690 million competition for local authorities across England to tackle urban congestion in the 2017 Spring Budget, Clair Haigh, Chief Executive of Greener Journeys said:

"Congestion is strangling towns and cities across the UK, bringing urban centres to a standstill and costing the economy more than £13 billion each year [...]"

Investment in bus priority measures and bus infrastructure can ease congestion and reduce roadside emissions, delivering £7 of economic benefit for every £1 invested. The Department for Transport must ensure these funds are allocated to measures which make public transport a more convenient and appealing travel option for drivers."⁴ – Claire Haigh, Greener Journeys

27. In his evidence the Cabinet Secretary confirmed that £33million would be available to tackle "pinch points", in addition to the £15million over four years allocated through the local transport network fund.

⁴ www.greenerjourneys.com/news/greener-journeys-responds-urban-congestion-fund/

The role of public subsidy

28. The Welsh Governments Bus Services Support Grant (BSSG) is a key mechanism to support bus services, and is administered by local authorities. Increased operator costs results in increased fares which deters passengers, reduces revenue and places a greater reliance on revenue support for marginal services. Stagecoach suggests that:

“Increasing bus service sustainability, by introducing measures to address congestion and increase capital spending on bus priority measures, would reduce the requirement for local authority revenue support, making services more sustainable and reducing the number of marginal services.”⁵ – Nigel Winter, Stagecoach in South Wales

29. The need for subsidy was also discussed with ATCO. It stressed that if the average speed of bus services in urban areas continues to decline, there may be a need for increased public subsidy to maintain current marginally commercially viable local bus services:

“The need for public subsidy to mitigate the impact of congestion on local bus services in Wales should only arise in order to fund the implementation of these congestion busting measures which, in turn, will reverse the downward spiral into a [virtuous] circle of improvement.”⁶ – Adrian Morgan, Strategic Transport Planner, ATCO

30. CPT Cymru highlighted a disparity between the levels of public funding between bus and rail. It stated that the level of public subsidy passenger journey by bus in Wales is 29p, compared to £7.27 per journey by train. Bus and rail serve different markets and, as such, a comparison of public subsidy per passenger kilometre may be a more appropriate metric. [Office of Rail and Road figures](#) for Arriva Trains Wales indicate a subsidy of 8.1p per passenger kilometre in 2015-16.

31. Finding true like-for-like comparisons between bus and rail subsidy has not proved possible in this short inquiry. The Cabinet Secretary indicated that he would welcome greater transparency from bus operators regarding their revenues so that the Welsh Government could make a more informed comparison. The Committee felt such openness should be a condition of receiving Bus Services Support Grant.

⁵ Written evidence

⁶ Written evidence

Conclusion 1. The Committee shares stakeholders concerns that, to date, local and national government has not adequately addressed the issue of the impact of congestion on bus services, and notes that failure to do so as a matter of urgency will result in dire consequences for the bus industry in Wales.

Conclusion 2. The Committee is clear that the impacts of congestion are widespread, and have repercussions for the bus industry, economy, environment and health of the people of Wales. Wales needs a sustainable and efficient public transport system to meet the needs of current and future generations.

Conclusion 3. Getting people out of their cars and onto buses will help to reduce congestion, but while congestion is at current levels the bus is a less attractive option which people may be less willing to adopt. Steps must be taken to prioritise bus services (including through bus priority measures) if bus travel is to become a viable alternative.

Conclusion 4. Bus services provide a lifeline for those without access to a car or rail services. We are concerned about the threat to some of the less commercially viable services posed by pressures on bus operator's costs caused by congestion.

Conclusion 5. Transport has a key role to play in reducing Wales' greenhouse gas emissions. Less congestion reduces harmful emissions, and improves air quality.

Conclusion 6. Whilst traffic congestion is an issue for the bus industry across the UK, the Committee believes that further work is needed to understand Wales-specific issues. This work should examine the extent to which congestion affects Welsh services, as well as how far its effects feature among the wider factors that influence people when making transport choices. Together these should help to develop an understanding of how more people can be encouraged to choose bus travel. Whilst this work will be beneficial in developing a high level strategic approach, it should not delay Welsh Government, local authority and bus operator action.

03. Measures to address congestion

What can be done?

32. There are a range of measures and options available to local authorities to prioritise bus services. Traffic restraint / demand management measures include congestion charging, enhanced parking charges, reduced parking availability and workplace parking levies. Other options include the implementation of park and ride schemes and bus priority measures. CPT Cymru was highly critical of pilots of free car parking in town centres, with John Pockett describing it as “the most anti-public transport measure I have seen”.⁷

33. There is strong consensus that public transport improvements alone will not be sufficient to address the impacts of congestion on the industry. The approach used in a number of UK cities has been two pronged: the ‘carrot’ of improved sustainable transport coupled with the ‘stick’ of car restraint. The TAS Partnership highlighted that:

“Unless additional costs such as enhanced parking [charges] [...] are placed on the car journey, it is very difficult for the bus to become truly competitive against the private car.”⁸ – Chris Martin, The TAS Partnership

34. Evidence from Professor Stuart Cole, ATCO Cymru and Bus Users Cymru supports the need for a modal shift from car to bus, and stated that the attractiveness of bus travel could be increased by reducing congestion, resulting in improved journey times. It is important that the unique challenges of achieving this modal shift in different settings is fully understood and factored into policy.

35. The Cabinet Secretary for Economy and Infrastructure supports the call for a modal shift towards public transport, and states this can be achieved by “making buses more attractive on price, through competitive and straightforward fares, through multi-operator ticketing schemes underpinned by transparent and fair revenue-sharing arrangements, and by publicising how good our bus network is already”. In his oral evidence, he stressed that some operators were making considerable investments in attractive, new buses – but that that this was not happening right across the sector.

Prioritisation

36. The Committee heard from Cardiff Bus that “if [the] bus is to become a solution [to transport issues], we do need to have priority”.⁹ Witnesses felt that local government and Welsh Government has taken insufficient action to date in addressing the issue and impacts of traffic congestion, and that it is crucial for both to acknowledge the existence and scale of the problem if progress is to be made on tackling it. There is a need for Welsh Government to set strategic direction, and to provide a framework for local authorities and operators to work within. The Welsh Government itself will need to act on the trunk road network.

37. CPT Cymru expressed the view that the car has been ‘king’ for too long, and that decision makers need to take a bold stance to redress the balance:

⁷ Para 67, 29 June 2017

⁸ Written evidence

⁹ Para 45, 29 June 2017

“Buses are not given the political importance they deserve, and are treated as the Cinderella of public transport [...] Decision makers do not appear to understand fully the social, economic and environmental importance of buses; this is often reflected in the lack of priority to buses in the decisions they make. This is in terms of both funding and also actual on-road bus priority measures [...]”¹⁰

“It’s as if, if you’ve got a car, you’re king, and I do think that government, Welsh Government, local government, everybody, need to stop running scared. It’s the politicians, I have to say, more than officials, then, who need to take a lead and stop running scared of car users.”¹¹ – John Pockett, CPT Cymru.

38. The Committee heard that measures to dis-incentivise car travel in favour of the bus will likely result in local objection and require strong political will. ATCO Cymru stated:

“[local politicians] need to be prepared to be resolute in promoting public transport policies to relieve congestion. Introducing a statutory requirement may remove the element of political risk, assuming that the statutory requirement is not equally contentious to introduce in the first place.”¹² – Adrian Morgan, ATCO

Welsh Government action

39. In evidence to the Committee, the Cabinet Secretary stated that “tackling congestion is a priority focus for Welsh Government” on account of its impact on the economy, environment and health of the people of Wales. He recognises that traffic congestion impacts negatively on the reliability of bus services, and that this in turn makes bus travel less attractive.

40. However, in the Committee he said congestion was one of a “range of factors”, including the quality of buses and passenger-focused services.

41. The Welsh Government’s National Transport Finance Plan contains a number of schemes aimed at addressing the impact of congestion on bus services. These include:

- Work to identify congestion and pinch points on the network that impact on bus reliability and punctuality, and to ensure that solutions are integrated into the wider highway improvements programme; and
- The development of a package of bus priority measures along key strategic corridors.

42. In addition to the measures outlined above, the Cabinet Secretary set out that he is establishing a number of workgroups to undertake further work to consider how to:

- improve the passenger experience at bus stops; develop funding solutions that offer greater stability to the bus industry in Wales; and
- deliver an integrated transport system that provides improved accessibility and ticketing solutions.

¹⁰ Written evidence

¹¹ Para 67, 29 June 2017

¹² Written evidence

43. He also confirmed that these working groups would consider congestion, and that the Welsh Government would be holding a second Bus Summit early in 2018 to report back on progress since the First Bus Summit.

44. The Welsh Government's recent consultation on improving local bus services in Wales, which sets out its vision for the delivery of a more effective network of bus services in the longer term, does not explicitly mention congestion. However, under questioning the Cabinet Secretary insisted that the document did address congestion – citing bus lanes and bus quality partnerships as examples.

Welsh Government and local authority powers

45. The legislative framework to support the prioritisation of bus services is firmly in place in Wales. The Environment (Wales) Act commits us to significantly reducing greenhouse gas emissions, including those from transport, in order to achieve ambitious reduction targets for 2050. The overarching Well-being of Future Generations (Wales) Act 2015 places sustainable development at the heart of all public bodies' decision-making processes, and commits them to act to achieve all of the seven well-being goals enshrined in the Act. The Active Travel (Wales) Act 2013 encourages a shift away from car travel, towards more sustainable modes, and adopting a more integrated approach to transport and travel.

46. The Committee heard that there are already a number of policy levers available to the Welsh Government and local authorities which could assist with reducing congestion but that many of these, including powers relating to car parking policy, planning policy and highway strategy are being underutilised.

47. The TAS Partnership stated:

“A failure by Welsh local transport and highways authorities to exercise their full statutory responsibilities for traffic demand management means that, in our opinion, they are inadvertently participating in the economic degeneration of the Welsh bus industry through their passivity towards the effects of congestion on the sector.”¹³ – Chris Martin, The TAS Partnership

48. On additional levers available to Welsh Government and local authorities ATCO Cymru said:

“In terms of improving policies to address the impact of congestion on the bus sector, ATCO Cymru argues that the focus should not just be on physical infrastructure measures along the highway. [...] At a regional and local level, Spatial Plans and Local Development Plans can ensure that new developments and facilities do not generate extra traffic by locating them along existing public transport routes.”¹⁴ – Adrian Morgan, ATCO Cymru

49. ATCO Cymru also suggests that there is a role for UK Government to influence car ownership and use through tax and fiscal measures such as fuel duty.

50. Simon Jones, Director of Transport for the Welsh Government said that local authorities were not using all the powers at their disposal.

¹³ Written evidence

¹⁴ Written evidence

“We’ve got some legislative tools that would really help in this space around congestion and only one local authority in Wales is making use of the ability to fine people blocking bus lanes and yellow boxes”¹⁵ – Simon Jones, Welsh Government

Partnership working

51. The importance of partnership between Welsh Government, local authorities and bus operators was repeatedly emphasised. The Transport Act 2000 contains powers that enable local authorities to establish quality partnership schemes. These are agreements between the council and local bus operators to improve the quality of services and facilities within a scheme area. These can include requirements as to service frequencies, timings and maximum fares. CPT Cymru, whilst supporting such partnership schemes, called for guidance and direction from Welsh Government. ATCO Cymru suggested that such schemes present an opportunity to lever in private sector capital investment in vehicle and service quality enhancements which can, in turn, maximise the benefits of the funding that is committed by local authorities and the Welsh Government in terms of bus priority and other highways infrastructure. In his five point plan for the bus industry, the Cabinet Secretary set out that he will be establishing two new bus coordinator posts to develop the statutory bus quality partnership model.

52. The Committee heard that, since 2013 and the demise of Regional Transport Consortia, local authorities have been working on many aspects of bus service planning in isolation. However, recently, and with impetus from the City Deals and support from the Cabinet Secretary for Finance and Local Government, local authorities told us that they are starting to come together to work on a regional basis once more. As Charlie Nelson of ATCO Cymru said “bus operators don’t recognise boundaries”, and the will to work collaboratively to ensure that public transport is fit for purpose came through in conversation with transport planners. The Committee is clear that joined up, collaborative working between and across local authorities will be key for all aspects of the strategic and local development planning process, and that smart thinking in this area could help to tackle some of the impacts of congestion on the bus industry.

Congestion charging

53. Congestion charging has proved a divisive issue in towns and cities across the UK. Proposed schemes in Cambridgeshire, Edinburgh and Greater Manchester were **abandoned** and there has been **opposition** to suggestions of congestion charging in Cardiff. However, the London Assembly’s recent work on congestion found that road pricing can encourage modal shift from cars to public transport and active travel. The Greener Journeys report highlighted the positive impact of congestion charging in London on bus speeds:

“In the first year of congestion charging, bus speeds in the central zone improved by 7% and excess waiting time was cut by 30%. The congestion charge gave a bigger boost to bus passengers than any other single measure.”¹⁶
– Prof David Begg, Greener Journeys

54. However, the Committee heard that congestion charging in Cardiff, for example, could result in a negative economic impact, as it may disadvantage the city against Swansea or Newport. In areas where there isn’t a viable public transport alternative, charging would risk being seen as unfair.

¹⁵ Para 413, 13 July 2017

¹⁶ [The Impact of Congestion on Bus Passengers, Greener Journeys, 2016](#)

55. The Cabinet Secretary was clear that congestion charging in towns and city centres is a matter for local authorities, but said that it was “not under consideration” for trunk roads. Simon Jones added:

“There are tools that are already available to local authorities that they’re not using yet, and I think that, before anybody starts thinking about some kind of new regime, perhaps the existing tools should be fully tested to see what difference they make.”¹⁷ – Simon Jones, Welsh Government

Bus priority measures and the reallocation of road space

56. As outlined above, there is a suite of bus priority measures at the local authority’s disposal. The Committee heard from Cardiff Bus that, in order for these measures to be effective, they must be applied along the whole bus route, rather than in isolation.

57. The Committee heard from ATCO Cymru that reallocating road space away from the car can be controversial and difficult to implement in certain areas. This view was supported by local authorities:

“There are a lot of competing demands on the highway. There are a lot of competing demands in the planning process. There are housing developers, there are motoring groups, motoring organisations, and one of the difficulties in tackling congestion is, potentially, there is a lack of political will sometimes to overcome or to introduce controversial measures that would have an immediate impact on congestion.”¹⁸ – Adrian Morgan, ATCO Cymru.

58. Recognising the issue of political risk, ATCO Cymru suggested that local politicians are likely to receive more objections to a reduction in on-street parking or highway capacity than support for it and therefore need to be resolute in promoting public transport policies to relieve congestion. There is agreement that there is a clear need for a modal shift, but local authorities expressed concerns about the lack of political will to implement controversial measures to address congestion.

59. The Enterprise and Business (E&B) Committee’s Fourth Assembly 2016 report on active travel recommended that, in its promotion of Active Travel, the Welsh Government would need to make choices which prioritise active travel over motoring and reallocating space as well as resources to support this aim. The E&B Committee stated that “this will only work if the Welsh Government has the confidence to see through what it has started with its own legislation”.

60. The same principle applies with regard to bus prioritisation. Political willingness to do things which may be unpopular in the short term is essential to make changes which shift the balance away from the private car and towards public transport.

Links to land use planning

61. The Committee were keen to explore how bus operators and planners worked together, particularly as part of the Local Development Plan (LDP) process. The evidence pointed to a disconnected process – bus operators felt that they were not always sufficiently involved in the planning process. Local authorities suggested that operators should be more proactive during consultation stages.

¹⁷ Para 427, 13 July 2017

¹⁸ Para 343, 29 June 2017

“Local authorities have a statutory duty to consult under the process [local and strategic planning], as part of the process, and local operators and their representatives, their trade bodies, are part of the consultation process. At the end of the day, they are given an opportunity to respond, to make representations, and if they’re not able to do that to a sufficient level, or with sufficient force [...]

We try and involve them in all steps of the process, and at the end of the day, it is down to them as individual businesses and private businesses to be more proactive.”¹⁹ – Adrian Morgan, ATCO

62. On the issue of the integration of transport and land use planning, some witnesses suggested that planning policy should be further strengthened to restrict applications, such as edge of town developments and out of town retail centres that do not favour the bus and generate more car journeys. This view was supported by Prof Cole, who highlighted the need for a more joined up, strategic approach to planning, particularly in the case of smaller developments which do not attract planning obligations securing the provision of transport under Section 106 of the Town and Country Planning Act 1990.

“A new element has therefore to be introduced where developers part-fund the start-up of bus operations which may not be financially viable initially but could be when the full number of houses at that location in the LDP is achieved.”²⁰ – Prof Stuart Cole

63. The Committee notes that while the Cabinet Secretary was optimistic about cross authority collaboration – particularly as driven by city deals – there remains a question about whether lack of coordination between LDPs could emerge as a barrier to effective regional transport planning.

Funding and support

64. The Committee heard from local authorities that short term Welsh Government funding made developing and implementing bus priority measures more challenging and expensive. Given the need to utilise both capital and revenue funding, they explained how longer term funding would enable them to achieve economies of scale when tendering and commissioning work.

65. They also called for an increase in funds made available through the Welsh Government’s Local Transport Fund, the primary source of external funding available to local authorities to progress schemes identified in their Local Transport Plans, and a rethink of the current funding assessment criteria.

“The level of funding that we’ve had over the past few years up through the local transport fund has meant that we’ve spread the jam very thinly across Wales. I think in order to make an impact, that level of funding needs to increase [...] Otherwise, we’re just going to be spreading jam even thinner.”²¹ – Charlie Nelson, ATCO

¹⁹ Para 335 and 341, 29 June 2017

²⁰ Written evidence

²¹ Para 438, 29 June 2017

66. The Committee notes that local authorities have the power to raise a Community Infrastructure Levy on new developments, which could be used to fund local transport schemes.

Awareness raising

67. Bus services are caught in a catch-22 situation: in order for congestion to be reduced, more people need to stop using their cars and make the switch to public transport. However, whilst congestion is still having such significant impacts on bus travel, the bus is unlikely to be an attractive option. The situation was summed up by the WLGA:

“So long as the buses are treated the same as all the other traffic and they’re caught in the congestion, it’s very, very hard to try to persuade people to change their behaviour.”²² – Dr Tim Peppin, WLGA

68. Bus priority measures and the other options discussed above to ease the impact of congestion on bus services are part of the solution. The Committee heard evidence that more needs to be done, by operators, local authorities, and Welsh Government, to get the message across about why people should switch to public transport and active travel, and to sell the benefits. There is a need to better understand why people make the transport choices that they do, and how we can use this to change behaviour. The Committee believes that the bus industry needs to market itself more positively, and that there is a role for the Welsh Government and local authorities in developing and delivering a nationwide campaign to encourage the modal shift to public transport – assuming of course that public transport is an attractive option.

²² Para 266, 29 June 2017

Conclusion 7. The Committee recognises stakeholder concerns that the Welsh Government has not, to date, awarded sufficient priority to tackling the impact of traffic congestion on the bus industry in Wales.

Conclusion 8. If Wales is to achieve a modal shift in transport behaviour, the Welsh Government will need to redress the imbalance between car and public transport. Politicians, at local and national level, will need to be bold and resolute in supporting measures to reduce the impacts of congestion on the bus industry.

Conclusion 9. There is an established and ambitious legislative framework in place in Wales, which provides the impetus to tackle the impacts of congestion.

Conclusion 10. Local authorities and bus operators need strategic direction from Welsh Government to support and guide them. Welsh Government needs to clarify its priorities relating to congestion, and ensure these are communicated so action can be taken at the local level.

Conclusion 11. Local authorities and Welsh Government have a range of levers and powers at their disposal to address congestion, many of which are currently being underutilised.

Conclusion 12. The Committee is clear that partnership working is key to tackling bus congestion in Wales. Welsh Government, local authorities and bus operators must work together to identify problems and implement measures to address them. Increased use of quality partnership schemes will be essential, as will joined up, collaborative working within and across local authorities on transport issues. There are significant opportunities for progress, particularly relating to local development planning, Growth and City Deals.

Conclusion 13. The Committee supports stakeholder views that, in order to achieve value for money and to plan more effectively, funding periods should be extended.

Conclusion 14. Greater openness and transparency from bus operators about their revenues – within the restrictions of the Competitions and Markets Authority – should be a condition of support under the Welsh Government’s Bus Services Support Grant.

Conclusion 15. The bus needs to become a more attractive travel option. If people are going to get out of their cars and use the bus instead, then the service needs to be reliable, efficient, comfortable and convenient. The Committee recognises that there are challenges in achieving modal shift, and that these will differ in urban and rural settings. There is work for the industry to do to market itself better, but Welsh Government and local authorities also have a key role in raising awareness of the benefits of bus travel. Reducing congestion is one part of this jigsaw, but a shift in public perception is also needed.