

Written Response to the Committee

Enterprise and Learning Committee

Report of Committee's consideration of the Fuel and Road Haulage Petition

January 2009

Executive Summary

I am very grateful to the Enterprise and Learning Committee for their work and helpful recommendations on the competitiveness and sustainability of the Welsh Road Haulage industry.

There are particular challenges in the haulage industry in competitiveness as the economic climate affects not only the industry but the widespread customer base that in turn uses haulage in every aspect. This is allied to the very need of the sector to adopt sustainability as a core element of their approach toward servicing their customer base.

Since the original petition was presented the changes in the economic environment has seen the Welsh Assembly Government respond positively to support small business enterprises. This forms an overarching approach to support industry as a whole which will subsequently benefit the haulage sector. We have identified eco-driving / SAFED as one of the areas that we will be pursuing in the context of the National Transport Plan and the carbon reduction target.

The Wales Transport Strategy identifies Ports that have the capacity to realise their potential and better improve their access to the haulage industry.

As indicated below, I have accepted two of the recommendations and accept in principle the two other recommendations.

Detailed Responses

Detailed responses to the report's recommendations are set out below:

The Committee recommends that:

1. The Welsh Assembly Government, given the current economic downturn considers a further extension of the categories of business which would be covered by the small business relief scheme and to use all available levers on rates to support business at this difficult time.

Response : Accept

I accept this recommendation on the basis that on 1st December 2008 the Non-Domestic Rating (Small Business Relief) (Wales) Order 2008 came into force and which extend the small business relief scheme. Particularly relevant are plans to:

- increase to £6,500 the current rateable value threshold of £5,000 for most business hereditaments in Wales that are eligible for 25% rates relief and
- provide 25% relief to most retail premises (shops, public houses, restaurants and petrol filling stations) with a rateable value between £6,501 and £9000 until 2012.
- We will also retain the 50 per cent relief for businesses with a rateable value of £2,000 or less;

Financial Implications – None over and above the provision in existing budgets.

The Committee recommends that:

2. The Welsh Assembly Government informs the forthcoming review of Welsh ports by the Welsh Affairs Select Committee of the need for a survey of Welsh ports to determine where additional capacity can be found to improve access to freight and to promote the operation of the road haulage industry in Wales.

Response : Accept

I accept this recommendation in part. The Wales Transport Strategy and Wales Freight Strategy recognise the role of Welsh ports in increasing the use of short sea crossings for freight. Whilst we will give evidence, if called upon, to the Welsh Affairs Select Committee, it is for the Welsh Assembly Government to take forward its strategy and consider any recommendations made by the Select Committee

The Welsh Assembly Government regards partnership working as essential to the delivery of all freight services in Wales, whatever the mode and particularly multi-modal operations.

Financial Implications – The costs of implementing the Wales Freight Strategy and subsequent action plans are unfunded.

The Committee recommends that:

3. The Welsh Assembly Government uses the forthcoming road policing manifesto to make known its strategic policy decisions on road safety.

Response: Accept in Principle

I accept this recommendation in principle. Road safety and the reduction of road casualties in Wales is a priority for the Welsh Assembly Government particularly on the motorway and trunk roads for which it has highway authority responsibilities. We will continue to work closely with the Police and VOSA to see how the specific issues related to the A55 can be improved. I am awaiting sight of the road policing manifesto. I will then be able to consider how the manifesto can contribute to strategic policy decisions on road safety.

Financial Implications – None over and above the provision in existing budgets.

The Committee recommends that:

4. The Welsh Assembly Government provides adequate funding to ensure that SAFED training can be delivered in Wales.

Response: Accept in Principle

I accept this recommendation in principle. I believe that a more co-ordinated approach is needed to take forward eco-driving techniques and standards across the whole of the transport sector. Our overall aim is not only to encourage better driving standards but also to encourage more freight to be transported by sustainable modes such as rail.

Driver training is available commercially and advice on eco-driving can be accessed through the Energy Saving Trust's website. Local authorities and the wider public sector should consider the potential for including eco-driving training and techniques as part of the development of work placed travel plans.

In addition, I want to explore how we might be able to take forward the Freight Best Practice Programme in Wales and how we can work with our partners to encourage eco-driving practices through their own work programmes.

Safe and Fuel Efficient Driving (SAFED) is seen as an element of a more co-ordinated and overarching approach that encourages the freight operator and other stakeholders. However, I am not in a position to commit funding to SAFED training at the present time.

Financial Implications – No funding exists in future transport spending plans to take forward SAFED in Wales.

**Ieuan Wyn Jones AM,
Deputy First Minister**