# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Bus Reform - update** |
| **DATE** | **10 November 2023** |
| **BY** | **Lee Waters MS, Deputy Minister for Climate Change** |

Last year we published the responses to our consultation on reforming bus services in Wales. There was overwhelming support for change and that case for fundamental reform has been strengthened still further by the ongoing challenges facing the industry.

Members of the Senedd are understandably concerned about the changes to services we have seen in different parts of Wales, despite the additional funding we continue to provide: £42m this year and over £200m since the start of the COVID-19 pandemic. As we transition from the emergency life-support that sustained the industry through Covid and its aftermath, it is becoming ever clearer that the privatised operating model for bus services is broken.

Despite the additional funding we have made available, we still face a challenging combination of rising costs and supressed demand, and this has led bus companies across Wales to cut back on routes and service frequencies. I am grateful for the collaborative way bus operators across Wales have worked with us to manage the impact of these challenges, but regardless of the economic lifeline public funds have provided since the pandemic, if services are marginal or lossmaking private operators have no incentive to continue running them – without additional support from the Welsh Government or local authorities.

Ultimately, we need wholescale reform, network planning, and an operating model that puts passengers and public interest before profit. Our White Paper sets out our plan to bring local authorities together at a regional level, along with Transport for Wales and the Welsh Government, to agree on the shape of networks in their area.

But we cannot afford to wait. The Regional Planning Teams we have established are a bridge towards that new model. They continue to work at pace and under considerable pressure to establish which services are viable without financial support and prioritise the routes that matter most to the people and communities they serve. This could not be done without the ongoing input and support from the operators, the Confederation of Passenger Transport and the Coach and Bus Association Cymru.

This partnership approach is proof that there is opportunity in adversity, enabling the Regional Planning Teams to make significant progress in reviewing and adapting their networks to better reflect changing travel patterns post-Covid. We will be able to achieve much more when the design of our network is a public responsibility rather than a profit-led exercise, but the Regional Planning Teams can form the basis of a structure to agree a franchised bus network in future.

Alongside Councillor Andrew Morgan OBE in his role as Leader of the Welsh Local Government Association and Transport for Wales CEO James Price, I am meeting with regional transport leads to discuss this way forward. We all recognise that we need to work together differently: in the short term to ameliorate the current challenges facing the industry, and then beyond that to provide our communities with bus services that are fit for the future.

Under our new model local government will have a strengthened and active role, working with us regionally to develop a clear plan for the network in their areas. They will work closely with Transport for Wales who will lead on the procurement of those services, supporting the delivery of a coherent, consistent, well-planned and passenger friendly network, with simple, affordable tickets - valid across all services.

However, there are also immediate challenges that we must overcome. In response to my challenge, Transport for Wales, the Confederation of Passenger Transport, Coach and Bus Association Cymru and local authorities have been working jointly on a customer facing campaign to encourage bus use in Wales. I’m pleased to confirm that Back to Bus has now launched, and will feature across social, digital, and out-of-home channels throughout Wales in the weeks and months ahead. The campaign also incorporates a toolkit specifically developed so that stakeholders, including Senedd Members, can support and amplify its key messages. I know that there was interest in this across the chamber and I encourage all Members to get behind this important campaign in their own constituencies and regions.

Finally, I am aware that some operators have cited the impact of 20mph as part of their justification for reducing services. While we remain committed to carefully reviewing the evidence of any impact as lower speeds continue to bed in across Wales, the answer must lie in prioritising buses through traffic – not faster speeds for buses in built-up areas.

Dedicated bus lanes and simple measures at traffic lights and at junctions help to unblock congestion and give buses an extra boost in traffic black spots, making journeys more viable and reliable. They play an important role both in helping sustain current services and creating the platform for a better and more attractive network in future. I want to see a renewed focus on bus priority measures and to support this I have made £6m available this year, and £5m available next year to encourage local authorities to bid for grant funding.