

## **Written Response by the Welsh Government to the report of the Climate Change, Environment & Infrastructure Committee report entitled: The Future of Bus and Rail in Wales**

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Public transport connects people to one another, binds communities together and enables businesses to grow and expand. Llwybr Newydd – the Wales Transport Strategy, sets our plans for an accessible, sustainable and efficient transport system.

Work to transform the Core Valleys Lines which will deliver modern, electric and more frequent train services serving South Wales East is progressing well.

The South Wales Metro is an ambitious, multi-million-pound project which will transform the way we all travel, with focus on rail, bus, active travel, and integrated transport. Throughout all the South Wales Metro, we will electrify 170km of track, upgrade all our stations and signalling, and build at least two new stations.

We're investing £800m on a new fleet of trains that will serve passenger across Wales and improve passenger comfort and facilities. By 2024 95% of passenger journeys across Wales will be on brand new trains, as part of our Programme for Government commitments. The new trains will include electric/battery Stadler fleets for the core valley lines services and a new diesel fleet which is expected to be in the region of 20% more efficient than the existing fleet.

The first of the new CAF trains will come into service later this year in North Wales with the first of the new Stadler trains entering service in South Wales early in 2023. The new trains will deliver significant improvements for passengers compared to the trains they are replacing and will enable TfW to deliver more and improved services across Wales and the borders.

We are working with Transport for Wales to develop Pay as You Go rail fares, which will be a "tap in – out" product that is planned to be initially deployed in South Wales Metro area. These will offer a range of value for money single leg fares with a daily, weekly and monthly price cap similar to that used for public transport in London.

TfW provide free travel options for under 16-year-olds travelling with fare paying adults on their rail services, with railcards available for young people aged 16 and over that reduce rail fares by a third

We are also working on a 'Fairer Fares' initiative to offer to make bus travel more affordable and accessible for communities across Wales. We're planning integrated ticketing to make travelling in Wales seamless and less complicated.

Welsh Government has provided emergency funding to the bus industry since the beginning of the pandemic. Patronage has recovered at varying levels across Wales. At the end of June, we announced a further £48m support package for the bus industry to support their continued recovery from the pandemic. This means that in

total over £150m of funding has been made available to the industry since the beginning of the pandemic. This provides gap funding for the industry when they need it the most, and in return gives greater public control over services.

We would like to thank the members of the Climate Change, Environment and Rural Affairs Committee for their report on the future of Bus and Rail in Wales. We are particularly pleased to see the Committee's recommendations are in line with our current and future plans. We have set out our response to the Report's individual recommendations below

## **Detailed Responses to the report's recommendations are set out below:**

### **Recommendation 1**

In future, TfW should publish its business plan and the associated financial plan and do so in advance of the start of the financial year unless there are exceptional circumstances

#### **Response: Accept**

This is the timeframe that we work towards every financial year. However, the timing of the publication of budgets means that the timescales are very tight. This year, we published TfW's term of government remit letter ([Transport for Wales: term of government remit letter](#)) and sent their annual funding letter at the beginning of April. TfW's business plan for 2022-23 was published in the summer ([Business plan 2022-23 | Transport for Wales \(tfw.wales\)](#)).

### **Recommendation 2**

TfW should ensure that its Key Performance Indicators are published and accessible. It should provide an update to the Committee on this matter six months after the publication of this report.

#### **Response: Accept**

Following the Committee's report, TfW now publishes KPIs on a monthly basis. ([Performance | TfW](#))

### **Recommendation 3**

Welsh Government officials should work with TfW to ensure that its budget allocations as set out in the Welsh Government's budget are transparent and accessible.

**Response: Accept**

We will work with TfW to ensure that their budget allocations are transparent and accessible, possibly through the publication of the Welsh Government's funding letter.

**Recommendation 4**

Welsh Government officials and TfW should work together to streamline the budget-setting process to make it as effective as possible. Details of the TfW budget should be published in full in good time. We believe it should be possible for this Committee to scrutinise the TfW budget in full during the draft budget scrutiny process.

**Response: Accept**

Given that TfW is still a relatively new and evolving organisation, we are continually looking for ways to expedite and streamline processes, particularly around their annual business planning development and agreement. This year, we are expecting TfW's draft business plan by the beginning of January when we will be aligning costs and activities with the draft Welsh Government budget in time for the beginning of the financial year. We are currently working with TfW to bring forward their business planning in future years so that the timescales are better aligned with the Welsh Government's budget setting and scrutiny process.

**Recommendation 5**

TfW should provide the Committee with an update within the next six months on partnership working with Corporate Joint Committees and local authorities around the development of Regional Transport Plans.

**Response: Accept**

Welsh Government welcomes the opportunity to update the Committee on the development of Regional Transport Plans.

The Welsh Government intends to shortly issue guidance to the Corporate Joint Committees on the development of Regional Transport Plans. Guidance will aim to support efficient and collaborative development of effective Plans that achieve local, regional and national objectives. The Welsh Government aims to provide support to CJsCs throughout development of the RTPs, making use of technical expertise within Transport for Wales. Welsh Government will work with the CJsCs to agree the right level and type of support, recognising that ownership of the RTPs is with the CJsCs.

## **Recommendation 6**

The Welsh Government should provide an update on the work it is undertaking with other partners to understand future travel patterns, including work and leisure, and their impact on transport policy.

### **Response: Accept**

Welsh Government welcomes the opportunity to update the Committee on the work it is undertaking to understand future travel patterns and their impact on transport policy.

Welsh Government is developing plans for the introduction of a National Travel Survey for Wales. This survey will ask a representative sample of Welsh residents about their travel habits and views on different modes and key transport issues. The data collected will help track progress towards our climate change targets and the priorities and ambitions set out in Llwybr Newydd, the Wales Transport Strategy. Welsh Government is currently working with our delivery partner Transport for Wales to identify the most cost-efficient mode of delivery and survey design.

The monitoring framework for Llwybr Newydd, the Wales Transport Strategy, was published in May 2022. The framework will enable us to track progress against our priorities and ambitions, supporting our aims of mode shift and carbon reduction. Baseline data was published by Transport for Wales in May 2022 [here](#), and will be reviewed and updated annually.

## **Recommendation 7**

The Welsh Government should set out a clear plan of action of how it will encourage, or support the encouragement, of passengers to return to public bus services. It should set out the timescales for this work and how it will assess its impact.

### **Response: Accept**

The Welsh Government is bringing forward once in a generation change to our bus network. Our consultation on bus reform received overwhelming support. A bill will be introduced to the Senedd which will set out a new legislative framework that will allow us to build a bus network with people at its heart, not profits.

This is a long term project and we will be working with our partners in Local Authorities and industry to develop an implementation plan which will set out how and when these changes will be achieved. The implementation planning work will begin in the New Year and will be led by Transport for Wales. We're currently working with Transport for Wales to set out the timeline for this work.

Throughout the pandemic we have supported the bus industry with over £150m worth of funding. In addition, Transport for Wales have carried out marketing

campaigns such as the real social network to encourage people to return to public transport after the pandemic.

### **Recommendation 8**

The Welsh Government should work with the bus sector to address the shortages of drivers and the impact on service provision.

#### **Response: Accept**

The Welsh Government is participating in the UK wide working group to address driver shortages. The working group is made up of representatives from the UK, Scottish and Welsh Governments as well as leaders from the sector.

### **Recommendation 9**

The Welsh Government should bring forward proposals as soon as possible to address transport poverty in Wales arising from the cost-of-living crisis, including subsidised fare pricing and other financial support.

#### **Response: Accept in principle**

Welsh Government already fund the MyTravelPass scheme which offers young bus users a third off their tickets. Our Programme for Government commitment also sets out how we will build on the success of that scheme. Detailed work is underway to consider a range of options to deliver a system of more equitable bus fares across Wales.

We are currently examining a range of options to introduce a new 'Fairer Fares' policy to make bus travel more affordable and bus use more attractive to all in the community. This includes and builds on our Programme for Government Commitment to enhance discounted travel opportunities for younger people. There is a lot of interest in low fares initiatives from public bodies across the UK.

Whilst we haven't ruled out such a policy we must be realistic about the budgetary restrictions within which we must operate. In terms of purchasing power the Welsh Government budget is worth significantly less today than it was twelve months ago.

We recognise the impact the cost of living crisis is having and alongside the budgetary restrictions will inform decisions on regulated rail fares and other rail fare products Transport for Wales are developing. We are also working with Transport for Wales on the development of Pay as You Go rail fares, which will be "tap in – out" product that is planned to be initially deployed in South Wales Metro area. These will offer a range of value for money single leg fares with a daily, weekly and monthly price cap similar to that used for public transport in London.

## **Recommendation 10**

The UK Government must ensure that Wales has a level of funding for rail infrastructure enhancement which is fair and reflects the significant need for investment in a network which has fallen behind.

### **Response: Accept**

We will continue to push the UK Government to provide the necessary funding to improve rail infrastructure in Wales. Despite the compelling case for the full devolution of responsibilities for rail, alongside a fair funding allocation, the UK Government has refused our calls for this. Full devolution will enable the transformational development of the railway across Wales needed to deliver the vision for rail set out in Llwybr Newydd, our Wales Transport Strategy, providing passengers with an accessible integrated and sustainable public transport system.

## **Recommendation 11**

The Welsh Government must move quickly to deliver its own proposed infrastructure enhancements, such as Maesteg frequency enhancements. The Welsh Government response to this report should include details of schemes to be funded by the Welsh Government/TfW, including progress to date and a timeline for delivery.

### **Response: Accept**

Welsh Government welcomes the opportunity to set out its delivery plans to the committee in light of the recent UK Government budget settlement

Welsh Government will work with TfW to produce a plan containing on updated timelines and plans for its frequency enhancements at Maesteg.

## **Recommendation 12**

The Welsh Government should set out its assessment of the costs arising from its target of decarbonising 50% of the Welsh bus fleet over the next 6 years. It should explain what funding it will make available over that period to assist bus operators to decarbonise the fleet. It should report regularly on progress.

### **Response: Accept in principle**

The Welsh Government welcomes the opportunity to set out its delivery plans to the committee in light of the recent UK Government budget settlement.

The Welsh Government has spent the last 12 months engaging with stakeholders and developing a Business Case and delivery plans to meet the targets set in Net Zero Wales. These plans are due to be completed in early December and Ministerial approval will then be sought, following this The Welsh Government will set out this assessment.

### **Recommendation 13**

To maximise the funding in Wales available for decarbonisation, the Welsh Government should provide advice, support and guidance to bus operators who wish to apply to UK Government programmes for funding for ultra-low emission buses.

#### **Response: Reject**

The Welsh Government have sought clarity on the availability of UK Government funded programmes for bus operators in Wales and have been informed that these schemes are only available on an England only basis. For that reason the Welsh Government has spent the last year developing its own programme.

### **Recommendation 14**

The Welsh Government should update the Committee on any discussions it has held with the UK Government on road pricing policy.

#### **Response: Accept**

The Welsh Government has not had specific discussions with the UK Government on road pricing policy. The Wales Transport Strategy and National Transport Delivery Plan (consultation draft) set out the Welsh Government's intention to deliver a strategy for fair road-user charging in Wales as part of a broader package of measures to improve travel choices.

### **Recommendation 15**

The Welsh Government should set out what assessment it has made of the impact of energy costs and the cost-of-living crisis on its modal shift targets. If it has not already done so, it should undertake this work and report back to the Committee within the next 3 months on progress.

#### **Response: Accept**

Welsh Government welcomes the opportunity to set out its assessment of the impact of energy costs and the cost-of-living crisis on its modal shift targets. We will work with Transport for Wales to collate our existing and emerging evidence base and present an update back to the Committee within the next three months.

### **Recommendation 16**

The Welsh Government should explore the possibility of developing more granular targets, for example, on a regional level for modal shift and linking these to policy delivery at the regional and local levels.

## **Response: Accept in principle**

Corporate Joint Committees are under a duty to produce Regional Transport Plans, which will contain detail of how they will be delivered and by when. These plans will include detail of how the region will look to meet Wales' net zero targets. The Regional Transport Plans will be informed by data collected through the National Travel Survey on personal trips by mode and perceptions of sustainable travel options.

## **Recommendation 17**

The Welsh Government should provide an update on the work of the group that is being established to examine potential pathways to net zero by 2035. It should explain why it has not asked the UK Committee on Climate Change, the statutory adviser to UK governments, to undertake this analysis on its behalf.

## **Response: Accept**

Welsh Government welcomes the opportunity to update the Committee on the work of the group that is being established to examine potential pathways to net zero by 2035.

The commitment in the Cooperation Agreement is to “Commission independent advice to examine potential pathways to net zero by 2035 – the current target date is 2050. This will look at the impact on society and sectors of our economy and how any adverse effects may be mitigated, including how the costs and benefits are shared fairly. We support devolution of further powers and resources Wales needs to respond most effectively to reach net zero.”

The development of the detailed approach for this piece of work has been undertaken collaboratively between the Minister for Climate Change and the Plaid Cymru Designated Member.

In August 2022, a Written Statement informed the Senedd, the approach to fulfilling the commitment was still being developed, but noted Jane Davidson would chair the work. Subsequently, a specification for the work has been developed and an approach agreed where the Wales Centre for Public Policy will conduct initial research for an expert Group Chaired by Jane Davidson to consider. The panel will then undertake an exploration as they determine appropriate to explore the social, environmental, economic and cultural impacts and benefits to Wales of accelerating progress on decarbonisation. The Senedd will be informed of further detail through a Written Statement shortly. Given the agreement between the Minister for Climate Change and the Designated Member on scope of the work, it was deemed more appropriate for the approach being taken rather than to ask the Climate Change Committee.



## **Recommendation 18**

The Welsh Government should set out how much funding has been redirected from projects because of the roads review and how that redirected funding has been used, including whether any funding has been used to support bus or rail. The Welsh Government should ensure that funding from cancelled projects should be used for sustainable transport and decarbonisation measures in the same area or region.

### **Accept in principle**

The transport schemes included in the Roads Review have been developed over a number of years, and limited funding has been allocated to some of these schemes within the current budget round. Restricted transport budgets have been allocated in favour of sustainable transport options, in line with the Wales Transport Strategy and National Transport Delivery Plan (consultation draft). Traditionally, these schemes would have been programmed to be delivered over a number of years and would not all have been affordable in the current budget round.

## **Recommendation 19**

The Welsh Government should provide an update on the work it has undertaken to date on behaviour change and transport.

### **Response: Accept**

Llwybr Newydd – The Wales Transport Strategy, 2021 and Net Zero Wales Carbon Budget 2 set out ambitious targets for mode shift away from private car use to active and sustainable transport. To deliver on the behaviour change required, we are investing in making the shift to active and sustainable transport the easy thing to do, through a combination of improving capability, providing the opportunity through improved infrastructure and services and motivating people to make a switch. There are a number of known interventions which can make a successful impact on changing behaviour and we will continue to implement proven interventions, building on best practice examples.

We are working with partners on behaviour change programmes to encourage the uptake of healthy and active travel. Initiatives including the 20mph speed limit programme and measures to tackle pavement parking will help make it easier for everyone to walk and cycle. We will take further actions to encourage replacing car journeys with active and sustainable travel options. The journey to school is a key focus of our action to increase uptake of active travel due to the multiple benefits in terms of health and well-being, educational, environmental and road safety impacts. We are working with partners to encourage holistic approaches that combine infrastructure improvements through new routes and facilities or street closures as part of school streets with promotional interventions.

Our Active Journeys programme continues to work with a large number of school communities across Wales to encourage children and families to walk, scoot or cycle to school for all or part of their journeys. To complement this, it is our ambition to encourage eventually all schools to produce active travel school plans for their pupils, parents and staff. We will be providing access to resources and advice to schools to support them in the development of their travel plans. We will continue to support the safety of our pupils with school-based training. This will include child pedestrian training and improving consistency of cycle training delivery through the introduction of the Bikeability National Standards into Wales. We will increasingly encourage the expansion of training outside of school. This will include the provision of inclusive training opportunities within our communities for all adults as well as children.

Further information on behaviour change activities being undertaken is set out in the National Transport Delivery Plan (Consultation Draft), available: [national-transport-delivery-plan-2022-to-2027.pdf](https://www.gov.wales/national-transport-delivery-plan-2022-to-2027.pdf) (gov.wales).

## **Recommendation 20**

The Welsh Government should provide the Committee with an update on specific interventions aimed at encouraging modal shift in the large population living in rural areas in Wales.

### **Response: Accept**

Welsh Government welcomes the opportunity to set out its rural transport pathway to support people living in rural parts of Wales to access public transport and use their own cars less. This pathway includes measures such as increasing Transport for Wales' successful Fflecsi scheme pilots, supporting community owned and run car clubs, better integration with community transport, and improving integration between rural and urban transport networks within a region. We have undertaken a series of round tables with local authority partners and wider stakeholders to scrutinise our plans, which was welcomed by stakeholders. We will look to publish our finalised rural pathway in spring 2022.

## **Recommendation 21**

The Welsh Government should set out its position on the suggestions made by members of the public through our engagement work, which are included in this Report (*Removing barriers and increasing public transport use: 10 principles from our engagement work – p.47 of report*)

### **Response: Accept**

Welsh Government would welcome the opportunity to set out its position on the suggestions made by members of the public through the committee's engagement work.

<b>Suggestion</b>	<b>Welsh Government position</b>
Integrated ticketing to provide passengers with transferability across different modes, operators, and locations.	Welsh Government is already progressing work via TfW on developing its approach to integrated ticketing across modes and with different operators in Wales.
Flexible ticketing to enable passengers to block buy trips to take when they want.	Transport for Wales already offer “multiflex tickets” which are a discounted block of 12 single trips. We are also working with Transport for Wales on Pay as You Go ticketing initially in the South Wales Metro area.
Real-time integrated travel information across all available platforms, from online to station announcements, from one information source.	Welsh Government is already progressing work via TfW on developing real time information for busses, and has systems already in place for displaying real time information to customers at rail stations bilingually.
Sensible connection times between modes of transport to give enough time for all passengers to successfully board their connection.	Welsh Government is already progressing work via TfW on integrated journey planning between busses and rail. This is supported by Welsh Government’s investment in transport interchanges across Wales, bringing rail, bus and active travel together into one place to support people to change between modes.
Public transport to run to a headway (time between vehicles) as opposed to being scheduled for any specific time of the day.	Bus timetabling is currently a matter for individual operators. Our bus reform bill will give us the power to set the timetable.
Increase capacity to transport bicycles on public transport	Welsh Government will be considering the specifications of vehicles as part of the planning for the introduction of bus franchising. The £800m investment in brand new trains includes that the new trains will have improved and increased capacity for cycle carriage. TfW are also looking at options to develop “Active Travel” carriages for use on the Heart of Wales Line.
Reintroduce paper timetables	The production of timetables is a matter for individual bus operators. All bus timetables are available online, through the Traveline Cymru app, or the Traveline Cymru contact centre. Paper rail timetables are available at staffed stations across Wales.

<p>Integration of transport policy with other policies affecting land use planning or infrastructure-related investments, such as hospitals and housing developments.</p>	<p>Welsh Government is supporting Local Authorities and Corporate Joint Committees in ensuring better alignment between land use planning, regional economic frameworks and regional transport plans to ensure there is alignment from the outset, in particular when focusing on public services.</p>
<p>Improve Newport to Pembrokeshire rail services by addressing the ‘dogleg’ in Swansea; completing the electrification of the South Wales mainline; developing Carmarthen as a railhead to provide more frequent trains across West Wales; and introducing a two-hourly service to Fishguard.</p>	<p>Rail infrastructure, such as the “dogleg” in Swansea and electrification of the South Wales Main Line, is a non-devolved reserved matter for the UK Government. We continue to make the case to UK Government for greater investment in rail infrastructure in Wales. The recent announcement of new services from Grand Union Trains and extension of Great Western Railway services to Carmarthen will increase journey opportunities. Transport for Wales are considering their service offer in West Wales including the potential for a two-hourly service to Fishguard.</p>
<p>Improve public transport services in North Wales by developing routes beyond the main transport corridor of Holyhead, Bangor, Conway, and Chester; developing East to West public transport routes, connectivity, and frequency; reopening the Bangor to Caernarvon railway line; and directing day visitor traffic to a public transport interchange where visitors continue their journey using public transport</p>	<p>The North Wales Transport Commission is examining public transport connectivity across all parts of North Wales, which includes rural as well as urban areas, to support people to make sustainable choices about the way they travel.</p> <p>In addition, the commitment within the Cooperation Agreement to improve public transport connectivity between north and south Wales, including protecting travel corridors, is being progressed in partnership with TfW.</p>

## Recommendation 22

Great British Railways should proceed based on parity of status for the UK and devolved governments.

### Response: Accept

Our response to the UK Government consultation on Great British Railways highlighted the unacceptable position that UK Government’s current plans for Great British Railways included no accountability to Wales or Welsh Ministers. We will continue to raise this matter with the UK Government.

### **Recommendation 23**

Transport for Wales should provide an update on the latest position on Metro costs in light of rising inflation and any impact this has had on the delivery timetable for each of the schemes.

#### **Response: Accept**

There have been delays to the overall programme of work on the transformation of the Core Valley Lines due to the impact of the pandemic, the on-going global material supply constraints and the insecurity caused by the Ukraine conflict.

We would be happy to set out the latest position on Metro schemes and Core Valley Lines transformation following the conclusion of the 2023-24 budget setting round.

### **Recommendation 24**

Transport for Wales should publish the latest iteration of its five-year delivery plan for all three Welsh Metro schemes.

#### **Response: Accept**

Welsh Government would welcome the opportunity to provide an update on the Metro projects being delivered across Wales and the programmes which will be delivered as a result. These programmes will form a key part of the regional transport plans for those regions which include Metro projects.

We will produce a Written Statement in the new year.

### **Recommendation 25**

Transport for Wales should provide an update on the integrated ticketing pilots and should explain the next steps.

#### **Response: Accept**

Welsh Government would welcome the opportunity to provide an update on integrated ticketing pilots. The plans we have for the T1 bus route provide an exciting opportunity to showcase rail and bus integration.

### **Recommendation 26**

Subject to discussions with the organisation, the Welsh Government should bring forward proposals for the inclusion of Transport for Wales as a statutory planning consultee for major developments.

**Response: Accept in principle**

We will investigate whether the inclusion of Transport for Wales as a statutory consultee is appropriate, whether it offers the best mechanism for influencing major developments, and if so, how this would be achieved.