

Improving Public Transport: Committee Response to Welsh Government White Paper

June 2019

1. Improving Public Transport White Paper: scrutinising the proposals

The Committee received evidence on White Paper proposals for Joint Transport Authorities (JTAs) during its inquiry into the Future Development of Transport for Wales, and separately undertook a short inquiry into the proposed reforms of bus services, concessionary fares, taxis and private hire vehicles (PHVs). This report summarises the Committee's views on the evidence gathered.

1.1. Background

1. In December 2018 the Welsh Government published a number of legislative proposals in its White Paper on Improving Public Transport. The proposals relate to bus services, concessionary fares, taxis and PHVs, and Joint Transport Authorities (JTAs). The White Paper was informed by Welsh Government consultations during 2017, undertaken in light of powers devolved by the Wales Act 2017 (the 2017 Act). Formal public consultation closed on 27 March 2019 and Welsh Government received over 500 responses, 300 of which were from Cardiff Hackney Association..



1. 2. Committee evidence-gathering

2. The Committee’s inquiry, “New Powers: New Possibilities” considered the transport powers being devolved by the 2017 Act, and in February 2018 a letter was sent to the then Cabinet Secretary for Economy and Transport summarising the key issues raised.¹ The Committee noted strong support for Traveline Cymru taking over bus service registration, and also called on the Minister to give urgent consideration to reforming the taxi and PHV licensing system, given the current archaic legislation and technological developments in that area.

3. The Welsh Government’s White Paper proposals for establishing JTAs were published shortly after the Committee began an inquiry into the future development of Transport for Wales in January 2019. That inquiry drew views from stakeholders on the JTA proposals, which can be found in the Committee’s report² published on 1 May 2019.

4. The Committee decided to conduct a short focused inquiry on the other White Paper proposals for bus services, concessionary fares, licensing of taxis/PHVs, and functions of the proposed JTAs. The Committee invited stakeholders to share their responses to the Welsh Government’s consultation, and hosted its own stakeholder event on 1 May to gather views.³ The Committee then discussed the proposals with the Minister for Economy and Transport during general scrutiny on 9 May,⁴ and took evidence from local government representatives on 23 May. This report summarises views expressed, and the Committee’s conclusions and recommendations.

5. Views on specific elements of the proposals are set out below, but for the Government’s overall vision for an integrated network, some strong messages from the stakeholder event included: the underlying problem of under-funding which has contributed to drastic service cuts and reduced expertise in local authorities; the need to focus on passenger voice and understand the needs of non-users of public transport; running a timetabled network that also allows people to commute at non-peak times, thus tackling congestion in our cities;

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<http://senedd.assembly.wales/documents/s74452/Correspondence%20to%20the%20Cabinet%20Secretary%20for%20Economy%20and%20Transport%20including%20annexed%20summary%20of%20key%20i.pdf>

² www.assembly.wales/laid%20documents/cr-ld12511/cr-ld12511-e.pdf

³ Economy, Infrastructure and Skills Committee, 23 May 2019, EIS(5)-14-19(P1)

⁴ <http://record.assembly.wales/Committee/5545>

addressing the very different needs of people in rural and urban parts of Wales; and stronger consideration of the role of community transport.

6. The Committee notes the concerns of the Welsh Local Government Association (WLGA) that the proposals were not accompanied by a full Regulatory Impact Assessment (RIA) setting out the detail of the funding implications. The White Paper promised that a draft RIA would be published in January 2019, during the consultation period. The WLGA also point to the need for co-production of the next iteration of the proposals, something the Committee also concluded in its report on the future development of Transport for Wales.⁵

Recommendation 1. Welsh Government should now work closely with local government to jointly co-produce the next iteration of its White Paper proposals to improve public transport. The promised Regulatory Impact Assessment should be published alongside the consultation outcome, to allow key stakeholders to assess the funding implications of the government’s detailed proposals.

2. Proposals for bus services and concessionary fares

7. The Community Transport Association (CTA) is concerned that community transport is absent in a consultation about “Improving Public Transport”. It suggests that community transport services may be impacted by moves to develop bus services. When he met with the Committee, Cllr Andrew Morgan said:

“it needs to be recognised that, in an awful lot of communities, community transport is the backbone of the transport network because regular bus services have been withdrawn. I know Welsh Government is looking at various pilots about booking services, a demand-led service, but there’s also, I think, a lot of lost opportunities with community transport.”⁶

8. He saw community transport as having an even bigger role in the future public transport network, with “missed opportunities” for it to provide important

⁵ [The Future Development of Transport for Wales \(Conclusion 9\). May 2019](#)

⁶ Economy, Infrastructure and Skills Committee, 23 May 2019, para 117

services, for example non-emergency ambulance services, at a fraction of current cost.⁷

9. The Committee notes plans to include community transport operators in Welsh Government's pilots of "demand responsive" bus services, but it is still the case that the White Paper itself did not recognise the role of that sector.

Recommendation 2. The Committee shares the concern of the Community Transport Association that the sector was not recognised or considered in Welsh Government's initial proposals, and it is unclear how they will apply to that sector. It urges Welsh Government to take full account of the role of community transport in the public transport network, and the impact of its proposals on the sector, ensuring this is addressed in further development of proposals.

10. The Traffic Commissioner commented on a range of issues, suggesting that if these are not addressed in implementing the White Paper then opportunities for coherent, efficient and effective regulation of public passenger transport may be lost. He highlighted a need to address the bus registration process – currently handled through a centralised office in Leeds as a post box exercise. The Commissioner also suggests making better use of the Welsh Government Bus Services Support Grant (BSSG) to improve compliance with Disclosure and Barring Service (DBS) checks – i.e. safeguarding checks. Whilst DBS checks are reserved, the Commissioner feels concessionary fare payments and/or BSSG funding could be withheld if proper checks are not conducted. This is an important issue for Welsh Government to address.

11. Traveline Cymru suggests that PTI Cymru, the Traveline umbrella organisation, could become involved in bus registrations, thus improving the quality of information on services for the public. The Committee called on Welsh Government to give this early consideration in February 2018, following its inquiry into the new powers granted under the 2017 Act. Welsh Government indicated to the committee during general scrutiny on 9 May 2019 that changes to bus registration would happen in a "de facto way", seeming to anticipate moving to a "franchising world", where registration would "start to fall away because buses would become contracted services rather than regulated services".⁸

12. The Committee is unclear how franchising proposals, as set out in the White Paper, will mean registration issues "fall away". The White Paper proposes that

⁷ Economy, Infrastructure and Skills Committee, 23 May 2019, Para 118

⁸ Economy, Infrastructure and Skills Committee, 9 May 2019, para 177

franchising will be a “tool” for local authorities, yet evidence from Welsh Government seems to anticipate its widespread use.

13. The White Paper states that the legislative proposals for bus services “are only one element of a wider process of reform that we are undertaking, particularly in relation to the delivery of bus services”. This was also clear from the Minister’s oral evidence, where he referred to the demand responsive transport pilots previously announced, along with wider “proposals for reforming the bus network and improvements to bus routes”.⁹

Recommendation 3. The Committee believes it is difficult to grasp the full implications of Welsh Government plans for bus services based on the White Paper alone. It recommends that Welsh Government sets out its vision for bus services – both legislative and non-legislative actions – making clear how these provide a coherent approach to improving services. These comprehensive plans should include how it intends to address bus registration issues, and should be published in advance of the Bill. This will allow the implications of the legislative proposals to be understood in the context of wider plans during scrutiny.

14. The White paper consulted on different models for future delivery of bus services, including Enhanced Quality Partnerships (EQPs), franchising and Local authority-run bus services, which the Committee explored with stakeholders.

2. 1. Enhanced Quality Partnerships

15. The Campaign for Better Transport (CBT) strongly support the requirement for local authorities to properly assess public transport needs and set minimum service standards. It was clear from the Committee’s stakeholder event that EQP proposals were generally supported, and could be very important for involving community transport providers. The WLGA welcomes them as another “tool in the box”. However, the WLGA says funding levels are vital – without increased funding it said it is hard to see what impact EQPs would have.

16. Stagecoach believes current partnership arrangements are adequate and further legislation is not required. It suggests lack of funding and local authority resources are the main barriers to use of current partnership approaches. This concern about lack of funding and resources was a strong message emerging from the Committee’s stakeholder event, and the WLGA says the level of funding will be vital to delivery of quality bus services.. Cllr Andrew Morgan summed up the position:

⁹ Economy, Infrastructure and Skills Committee, 9 May 2019, para 171

“Just simply trying to change the system with the existing funding regime in public transport, you will get some betterment, but it’s going to be marginal. In some of the areas, to make the changes we need, it is going to take additional public funding, both capital and revenue, and that is a problem I think that everyone recognises.”¹⁰

17. When the Committee raised this funding issue with the Minister in general scrutiny he accepted concern about lack of funding and resources was a “fair point”, and undertook to give consideration to the funding pressures on the sector over the summer before bringing forward more detailed proposals.¹¹ The Committee welcomes this commitment and looks forward to seeing a comprehensive response to the funding issues provided by the Minister.

2. 2. Franchising

18. The Campaign for Better Transport (CBT) would support a flexible approach to franchising that meets specific local needs – for example an authority might franchise a small section of its network, inviting tenders for exclusive rights to a highly profitable route, on the condition that the winning bidder also provided socially necessary routes.

19. The Traffic Commissioner says attempts to introduce franchising outside London have resulted in difficulties around the financial cost. Transport Focus says franchising need not be large scale as it is in London, which would fit best with large scale bus operators. It could potentially be as small as a single route within an area that would be more attractive to smaller operators. Transport Focus says it has been led to believe this could be the case, and if so it would be helpful for guidance or secondary legislation to provide clarification. The Committee looks forward to seeing this call for clarity addressed in future legislative proposals.

20. The CTA suggests moving from a purely commercial network to a publicly commissioned one will not necessarily transform the range and quality of services. Franchising must consider the role of the not-for-profit community transport sector from the start to achieve a more integrated, resilient network.

21. Stagecoach says that franchising is not required when local authorities are able to form quality contracts with existing powers. It says franchising powers cannot resolve the fundamental issue of lack of local authority funding, and also suggests franchising stifles innovation, restricts private sector investment, and

¹⁰ Economy, Infrastructure and Skills Committee, 23 May 2019, para 21

¹¹ Economy, Infrastructure and Skills Committee, 11 October 2019, para 182

negatively affects employee pay and terms and conditions. Difficulties arise from procurement processes which focus on cost over other criteria reflecting quality of service provision. Stagecoach suggests a single procurement system for all local authorities, and to approach tenders from a partnership perspective to generate value for the local authority, reducing the risk that operators might fail.

2.3. Local authority bus services

22. The CTA questions whether local authorities can deliver and commission bus services without a conflict of interest, particularly in providing challenge and “holding itself to account”.

23. Stagecoach does not believe local authority bus companies are justified or needed in urban populated areas of Wales. It suggests local authority bus operations would be expensive, time consuming, not present value for money for the taxpayer and may breach state aid rules. If a local authority operator is considered where the commercial network is not responsive to local transport needs it would be prudent to fully understand why. There may be a more cost effective solution.

24. Issues were also raised by Stagecoach around the tendering process. - pointing out the problems of a local authority procurement process that is mainly “first past the post - the cheapest wins”, and also the risks of legal challenge.¹²

25. The WLGA believes that in current circumstances, and with no extra resources, it is difficult to see many individual authorities being able to operate bus services. When questioned by the Committee on the possibility of conflicts of interest if local authorities were responsible for both commissioning and delivering services, the WLGA accepted the point, but said that as long as the process was “open and transparent” this should not be a problem, and local authorities already operate in this way in delivering services.¹⁵

26. The Committee heard a number of strong concerns expressed about the franchising model, and for local authority-run bus services, but strong support from stakeholders for enhanced quality partnerships.

Recommendation 4. Welsh Government has indicated in evidence to the Committee that it favours a franchising model going forward, and the Committee notes that the White Paper will give Welsh Ministers powers to issue franchising guidance. Given the issues raised by some stakeholders the

¹² Written evidence

¹³ Economy, Infrastructure and Skills Committee, 23 May 2019, paras 72-76

Committee therefore recommends that Welsh Government publishes draft guidance alongside the Bill, to allow the Committee and stakeholders to understand how these powers will be used.

2. 4. Information Sharing for bus services

27. The WLGA says legislative proposals to require bodies to provide information about local bus services are “long overdue”. Traveline welcomes the proposal to release open data on routes, timetables, fares and ticket information. Errors in information provided when Traveline is not informed about changes to services are one of the greatest causes of customer complaints.

28. Traveline says it has already done significant work to provide accurate real-time data with Welsh Government funding, and urges both government and Transport for Wales not to “reinvent the wheel”. The organisation also points to the opportunities the devolved powers offer for better Welsh language provision for passengers, the role Traveline could play to support transport operators with less Welsh language resource, and the potential for future job-creation at its North Wales base.

29. The Committee welcomes the government’s focus on ensuring improved information-sharing about bus services. Measures to improve the bus passenger’s experience should be central to future service delivery across an integrated network.

2. 5. Concessionary Fares

30. Age Cymru says it is vital that the concessionary fares scheme continues to be supported by Welsh Government, but older people it has consulted felt raising the entitlement age in line with state retirement age was not unreasonable, and in line with the original objectives of the scheme (i.e. to benefit pensioners). While Age Cymru would not generally favour reducing entitlements for older people, it says increasing the entitlement age is a reasonable compromise if it ensures the scheme is retained and sustainable.

31. However, Age Cymru is concerned about the impact on those older people who may find it more difficult to continue working up to state pension age, such as carers and older people with health issues or disabilities.

32. The Traffic Commissioner considers the increase is much needed and could increase funds to the Bus Services Support Grant. The Confederation of Passenger Transport (CPT) also supports the proposal, but pointed to the importance of undertaking a full impact assessment.

33. The WLGA understands the rationale for the proposal and agrees in principle on a need to find ways to ensure concessionary fares are sustainable and equitable. However, it suggests there are other ways this could be achieved - e.g. a yearly allocation of free travel on a card, after which a passenger would pay, or a limit on the time of day when passes could be used¹⁴. Local government representatives also pointed to the danger that pushing up the eligibility age could have a negative impact on bus patronage and modal shift, for example with more working people over 60 going back to driving rather than using their free bus pass to get to work. It was also noted that the decrease in car ownership of young people should be considered in reforms to the public transport system aimed at encouraging modal shift and increased bus patronage.¹⁵ We are aware that the Welsh Government consulted on a wider range of options for concessionary fares in its October 2017 consultation preceding the White Paper.

34. Stagecoach has expressed concern that narrowing eligibility could reduce bus patronage and lead to further decline in services. However, in evidence to the Committee Welsh Government made the point that its reform agenda is about inducing more travel overall on public transport, and so other measures, such as easier ticketing and faster journeys, also come into play.¹⁶

Recommendation 5. A number of concerns have been expressed about the proposal to increase the eligibility age of the mandatory concessionary fares scheme, but there is a certain level of support for an incremental change. The WLGA has however pointed to other options for changing the current system. The Committee therefore urges Welsh Government to carefully consider all the potential negative impacts, to avoid unintended consequences for pass holders, bus services or the environment.

3. Proposals for taxis/ PHVs

35. The proposals are described as a “missed opportunity” by the Head of Shared Regulatory Services for Bridgend, Cardiff and the Vale of Glamorgan. He told the Committee they were a “step back” from previous consultation with licensing officers, who saw the White paper proposals as “something of a disappointment”.¹⁷

¹⁴ Economy, Infrastructure and Skills Committee, 23 May 2019, paras 84-86

¹⁵ Economy, Infrastructure and Skills Committee, 23 May 2019, para 86

¹⁶ Economy, Infrastructure and Skills Committee, 9 May 2019, para 180

¹⁷ Economy, Infrastructure and Skills Committee, 23 May 2019, para 27

36. This view was supported by other stakeholders. Paul O’Hara of the Cardiff Taxi Co-operative and GMB Union said that while he agreed with many of the proposals, the White Paper was a missed opportunity to address issues around cross-border hiring – where drivers licensed in one local authority operate in another.¹⁸ The All Wales Licensing Expert Panel agreed that cross-border working has not been effectively addressed, and the current proposals fall “far short of the reform that taxi and private hire licensing so desperately requires”.¹⁹

Cross-border issues

37. The Committee is very much aware from its stakeholder engagement that cross-border operations are a divisive issue in the industry. As the Minister and his officials acknowledged in oral evidence to the Committee, this is a difficult issue where there are probably no easy answers, as it involves balancing the needs of drivers and the industry with those of passengers and the general public. Although the White Paper addresses some common concerns around cross-border working through standards and enforcement, the proposals would not address suggestions that there is currently over-supply, which some in the sector argue affects driver income and well-being through long hours. This may be a significant problem for cities like Cardiff, but stakeholders also told the committee that the needs of rural areas, where the issue is one of under-supply, must be reflected in future proposals. Uber argues against a numerical cap on numbers of taxis/PHVs as being detrimental to passenger safety, pointing out that the UK Department for Transport’s Task and Finish Group on Taxi and PHV licensing had rejected this proposal due to potential impact on passenger safety.

38. Uber has also set out a number of arguments against restricting cross-border working, including safety and convenience benefits for passengers having a reduced wait time. For drivers, it argues that being able to undertake more trips, and reducing “dead miles” travelled without passengers, would mean increased driver income and reduced congestion and pollution.

39. Local government representatives say that the White Paper proposals fall short of the changes needed to the licensing regime to begin to address cross-border issues:

“..one of the things we’d like to see is the Welsh Government introduce a change that says that, if you are licensed by a particular authority and you do take fares, the journey should either start or finish in the local

¹⁸ Written evidence

¹⁹ Written evidence

authority area within which you are licensed. And that should mean, then, that that would provide a more equitable trading environment for those drivers who feel they're being unfairly discriminated against. And the earlier conversation we had around national standards, of course, would mean that there wouldn't be a rush to a licensing authority that was perceived to be easier to get a licence from ... and we should see some equity in the industry.these are the things we were asking the Welsh Government to do two years ago, and we're still nowhere near there yet."²⁰

Recommendation 6. The Committee urges Welsh Government to continue to work with local authorities and other interested parties to explore ways to overcome cross-border operational issues, including through changes to its current proposals for taxis/PHVs.

National standards

40. There was generally very strong support from stakeholders about imposing robust national standards, and some see setting and policing these standards as an obvious role for a national JTA. The Committee heard a strong case from local government of the advantages of national standards: to look at the suitability of potential drivers and operators; improve knowledge in the local area; improve the design, appearance and performance of vehicles; to start to move to low-emission vehicles; to have standards on CCTV and record keeping and for public protection and safety. Dave Holland said:

“...We put our children in taxis, we put the elderly and the vulnerable in taxis to transport them to hospital, and due to the night-time economy in Cardiff, there are some very vulnerable people in the early hours of the morning who use taxis to go home. So, those national standards would underpin, with the proposals on enforcement, some big improvements, I think, in the taxi-licensing regime.”²¹

41. He went on to say that if national standards were brought in and licensing authorities were given enhanced enforcement powers, that “much of the issue around cross-border hiring will start to dissipate”, but went on to say that “Welsh Government could do more to assist that as well”.²²

²⁰ Economy, Infrastructure and Skills Committee, 23 May 2019, para 96

²¹ Economy, Infrastructure and Skills Committee, 23 May 2019, para 91

²² Economy, Infrastructure and Skills Committee, 23 May 2019, para 109

42. The Campaign for Better Transport believes any national standards should be a minimum, and not prevent innovation or application of higher standards where appropriate. The Traffic Commissioner, while believing national standards would bring consistency, also gave examples of where specific local standards might be desirable – for example areas with poor air quality could have higher vehicle standards, and different standards for different vehicles should be considered where appropriate (for example limousines).

43. The Licensing Expert Panel believes standards would ensure consistency, and address perceptions of inconsistency between local authorities, and argues for separate national standards for vehicles, drivers and operators. But it does not recommend permitting local authorities to set additional local conditions beyond the national standard. This also seemed to be the consensus from the Committee’s stakeholder event – it was suggested there should be no “wriggle room” – and Dave Holland confirmed this view to the Committee:

“what we’d like to see is some form of necessity test put in place that a local authority that wishes to move away from a national standard would need to have very good reason to do it, and maybe that could be subject to some sort of assessment by the Welsh Government.”²³

Recommendation 7. Welsh Government should introduce strict, uniform national standards for taxis/private hire vehicles, drivers and operators as soon as possible, regardless of whether or not licensing remains a matter for local authorities.

Enforcement

44. The Licensing Expert Panel believes revocation of a vehicle licence should be the responsibility of the home Licensing Authority – which will have local knowledge about the driver. However, it believes it is appropriate for any licensing authority to be able to suspend a licence of any vehicle operating in its area where there is an immediate public safety risk. This could be reported to the home Licensing Authority for further consideration and action.

45. The Traffic Commissioner suggests that if it were decided that a local authority (or JTA) should not be able to revoke or suspend a licence, consideration should be given to allowing it to ban that licence holder (or driver) from operating or driving within its area.

²³ Economy, Infrastructure and Skills Committee, 23 May 2019, para 90

Information sharing for taxis and private hire vehicles

46. The Licensing Expert Panel describes the creation of a database and information sharing arrangement as “critical”. It believes this should be expanded to include “vehicle and operators, proprietors and dispatchers” to support stronger enforcement. It also suggests any national database must link to “an equivalent database in England” to avoid duplication and ensure public safety across the national border.

47. Uber supports information-sharing to improve safeguarding, and said that serious complaint reporting should also be mandated and regulated in order to safeguard against a problematic driver moving between operators before a licence revocation has been issued.

48. The Traffic Commissioner also supports information sharing, although suggests this will need to be managed carefully due to data protection legislation.

49. The Committee supports improvements in information sharing, both across Wales and between Wales and England. Any potential barriers as a result of data protection legislation should be addressed and overcome with a presumption in favour of prioritising passenger safety.

Responsibility for Licensing and Enforcement

50. The White Paper proposes redirecting all of the existing taxi and PHV licensing functions away from local authorities and into a national JTA. While there was strong support for introducing national standards and data sharing, most stakeholders suggest enforcement should remain local to take advantage of local knowledge. The Licensing Expert Panel said it would not support the transfer of taxi and PHV functions to a national JTA based on the information provided, as there is insufficient detail. This position also emerged strongly from the Committee’s stakeholder session.

51. While the Traffic Commissioner “unequivocally” supports redirecting taxi/PHV licensing functions to a national licensing authority to better protect the travelling public, Paul O’Hara of the Cardiff Taxi Cooperative believes the ability of local authorities to “control numbers and regulate the trade is a must”. Therefore he opposes a single licensing body, or even regional JTAs taking on the functions from the 22 local authorities. Similarly, the Licensing Expert Panel says it would not support the proposal to redirect functions to a national authority based on the information provided. It says there is no evidence to support the need to redirect these licensing functions away from local authorities.

52. While recognising that reform is needed, and more could be done to work regionally, Dave Holland did not think licensing functions should be moved to a regional JTA when the expertise was at local level:

“I think it should stay with the local authorities. Local authorities are good at what they do and, as I say, we’ve been asking for reform of the taxi legislation for some years. If these national standards come into place, you will see improvements. And I don’t think handing it to a body that doesn’t have a lot of knowledge is the right thing to do. If you want to reduce the number of licensing authorities, well, let the local authorities deliver it regionally, because we’re good at it.”

53. One further area of missed opportunity identified by local government representatives was that the proposals are not seeking to make the funding regime more robust. David Holland told the Committee:

“..the 1976 legislation dictates at the moment what local authorities can recover by way of fees for operating taxi and private-hire vehicle licensing, and it is not on a full cost recovery basis. So, the councils have to put some of their own revenue support grant money in to enforce the law against drivers. And it’s miscreant drivers, particularly in Cardiff—we have big challenges there that take a lot of resource.”²⁴

54. While proposals around national standards, enforcement and information sharing are welcome, stakeholders have identified gaps in the first iteration of proposals for taxis/PHVs from Welsh Government. The impact of the proposed national licensing approach through JTAs is neither clear nor well understood by stakeholders and currently has little support.

Recommendation 8. The Committee supports timely reform of the licensing framework but does not believe that JTAs should take responsibility for taxi and private hire services until a clear approach has been set out and consulted on by Welsh Government. This should explain how the new licensing approach will work in practice, and allow stakeholders to understand the implications and shape the proposals.

4. Potential JTA structure and functions

55. The Government’s proposals outlined two options for JTAs - either a national JTA with specific national/strategic functions and three separate regional JTAs, or

²⁴ Economy, Infrastructure and Skills Committee, 23 May 2019, para 31

a single national JTA with regional delivery boards or committees. Welsh Government proposes that under either option it would be represented on the authority and any committee of the authority.

56. Arguments have been made for and against Ministerial representation on the JTAs – acknowledging the role of Welsh Ministers in setting strategic direction, but also the danger of conflicts of interest arising. Stakeholders do support the principle that Welsh Ministers should be able to issue guidance and intervene where a JTA is considered to be failing, though many have sought clarification on the circumstances for intervention.

57. The CTA has said it does not see the need for a separate, national JTA, and believes its functions would fit best within Transport for Wales (TfW). It is also concerned that while much community transport support is provided by local authority transport departments, funding also comes from social services, education and health boards, so that this would also need to be brought together to plan effectively.

58. Transport Focus was also unclear how separate JTAs would relate and coordinate across regions, or how a national JTA would function alongside – or differ from – TfW. A number of responses, particularly from local government, have sought further detail on JTAs and for dialogue to continue, which reflects evidence to the Committee's inquiry into the future development of TfW.

59. The Traffic Commissioner suggests existing arrangements with 22 separate transport authorities are unsuitable in a modern environment where transport needs to be planned strategically. But like the CTA, he assumes that TfW could fulfil any national co-ordinating role. The Committee recognises that democratic accountability would need to be taken into account in any governance structure where TfW, as a company owned by Welsh Government, had a role in relation to local authority functions.

60. Stagecoach believes that creating new regional bodies will be no more successful than the current approach if the reasons for bus passenger decline are not understood and addressed.

61. The WLGA view is that a national JTA would be too large and unwieldy, given the range of bodies that would expect to be involved – i.e. not only the 22 local authorities but also partners, stakeholders, user groups. With regard to regional JTAs, while local government representatives were broadly supportive of statutory joint transport bodies with additional powers, the WLGA suggests four regional JTAs rather than three. This is because of the different circumstances and needs of

different parts of Wales, for example the highly subsidised bus services in rural Mid Wales, and the links between different parts of the country. Other stakeholders have also stressed the importance of recognising that “not one size fits all”, and that the JTA structure must recognise that.

62. As the Committee has explored the JTA proposals in greater depth with stakeholders, it has become less clear what the role of a national JTA would be. Cllr Andrew Morgan told the Committee:

“it’s unclear at present what the national one would be for, and we’d be concerned about are we layering the system or fragmenting it.”²⁵

63. The WLGA favours a tighter national coordination mechanism, drawing a parallel with the discussions between Chairs of the City and Growth Deals and Welsh Ministers on economic development issues, and noting the importance of linking transport and economic development discussions. Dr Tim Peppin said:

“...we feel that a tight meeting like that with the people responsible for transport in each of the regions with the Minister and Deputy Minister would have a huge benefit in terms of co-ordination, as opposed to trying to bring together a meeting that could involve 30 or 40 people. You know, where do you hold that, and all the logistical arrangements about trying to get those meetings set up. So, bringing together the people who are central to overseeing transport in each of their regions with the Minister and Deputy Minister would seem to be a way forward.”

64. The WLGA saw TfW being involved in those discussions as a stakeholder partner, and Roger Waters noted TfW’s important role in delivering “some of the big and difficult things that are Wales-wide”.²⁶

65. Local government representatives also made the important point that many of the powers needed to develop and implement a better integrated transport network lie with local authorities, not Welsh Government. Any JTA structure would need to have very strong links back to local authorities, whose existing functions cover everything from highways and traffic management (for example to implement bus priority measures), to strategic land use and transport planning, as well as things like school transport and road safety.²⁷

²⁵ Economy, Infrastructure and Skills Committee, 23 May 2019, para 129

²⁶ Economy, Infrastructure and Skills Committee, 23 May 2019, para 138

²⁷ Economy, Infrastructure and Skills Committee, 23 May 2019, paras 147-150

66. The Committee recognises that while there is consensus about the need for national standards and better integration and information sharing for Wales' public transport network, there are divergent views about the best governance structure to deliver this.

67. Whilst there seems to be strong support for well-resourced regional JTAs to coordinate regional transport planning, the Committee does not think such a strong case has been made for a national JTA, beyond the need for a means to implement national standards and drive delivery of Welsh Government's strategic objectives for an integrated network.

Recommendation 9. Welsh Government should continue to work closely with local government and other stakeholders on a workable governance structure for JTAs. It should re-investigate whether its proposals are fit for purpose or whether they would create extra layers of bureaucracy and dilute existing transport expertise and resource. The structure must be capable of giving clear strategic direction to the development of an integrated transport network whilst recognising the very different needs of Wales' urban and rural areas and putting passenger needs first.