



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
28 JUNE, 2019

TITLE: *Transport Update and Progress with Establishing a Transport Sub-Group*

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1. PURPOSE OF THE REPORT

- 1.1. To provide an update on progress with establishing a Sub-Group of the NWEAB with responsibility for supporting improved transport outcomes in North Wales. The report will help to shape a forward work programme for the Sub-Group.
- 1.2. The report also highlights a number of recent developments that have significance for the region, including progress following the publication of the Welsh Government Improving Public Transport White Paper, changes to regional bus networks and a potential significant change in transport policy from Welsh Government.

2. DECISION SOUGHT

- 2.1. Members are invited to note the report and the progress made to establish the Transport Delivery Sub-Board.
- 2.2. To ratify the acceptance of the funding support offered by WG and authorise the signing of the grant offer letter by the Host Authority – **Appendix 1**.

3. REASONS FOR THE DECISION

- 3.1. The report highlights a number of issues where regional joint work has the potential to add value to current activity. The proposed areas of activity were considered at the last meeting of the Sub-Group. More detailed work to develop an action plan for each work theme will be required. The transport issues described in the report will form the basis of a future work programme for the Sub-Board. It is proposed that the next meeting will consider and prioritise the issues and to identify potential leads for each work stream.
- 3.2. The most immediate issues are in relation to the regional bus network and the follow-up to the consultation on the Improving Public Transport White Paper. Responses to the White paper follow up on JTA and the proposed legislative changes to improve control over regional bus networks will be required over the next few months. Other work streams can be developed over a longer time frame as capacity and joint working opportunities are exploited.
- 3.3. The agenda and the work plans that will follow, as set out in the report, is extensive and will need careful consideration as the governance processes for the NWEAB Joint Committee evolve. It is likely that further consideration of devolved powers by local authorities will be required as the programme evolves.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. Background

- 4.1.1 Since the Taith Joint Committee, along with other Regional Transport Consortia were dissolved in 2014, Transport Cabinet Members have continued to meet on an informal basis. Although successful within the limitations of an informal structure, recent changes and issues in relation to the delivery of strategic transport interventions across the region have led to a requirement for a more formalised structure.
- 4.1.2 The need for a more formal arrangement was recognised in a report to the NWEAB in February 2019 and led to a decision to support the establishment of a formal Sub-Group of the NWEAB within the governance arrangements for the delivery of the Growth Vision for North Wales. The cabinet members met informally on the 20th May to consider the proposals and the draft Terms of Reference. There was strong support for the proposals and the next meeting of the group will be held under the formalised governance arrangements.
- 4.1.3 A copy of the draft minutes is attached to the report (**Appendix 2**) for information.
- 4.1.4 Also at the 20th May meeting, members considered a potential forward work plan based on a number of issues identified where there is a strong case for regional joint work. Among the issues highlighted, members agreed the following issues as priorities.
- Strategic Bus Network and associated projects;
 - Improving Transport White Paper and proposals to establish Joint Transport Authorities;
 - Transport decarbonisation and the merging pilot projects;
 - Rail developments and opportunities for modal integration;
 - Wales Transport Strategy / National Transport Plan and the need to review the Regional Local Transport Plan;
 - 20mph zones implementation;
 - Unadopted roads strategy;
 - Active Travel;
 - Air quality and impact on transport networks.
- 4.1.5 By way of an update on key transport issues facing the region, there follows a synopsis of current and future issues and their likely impact on transport across North Wales.

4.2. Improving Transport White Paper and Proposals to Establish Joint Transport Authorities

- 4.2.1 The Welsh Government published the long awaited White Paper on Improving Public Transport on 10th December, 2018.
- 4.2.2 The White Paper set out proposals to reform passenger transport delivery structures, proposed changes to bus legislation and revised arrangements for taxi licensing. The policy document intended to try and reverse a rapid decline in bus usage in recent years; the paper suggests that bus use in Wales is declining at a faster rate than any other country or region across the UK.
- 4.2.3 The White Paper falls into three broad sections
- Changes to organisational structures that are responsible for the delivery of passenger transport services;

- Legislative changes to enable more control over bus routes and services;
- Changes to Taxi and Hackney Carriage licensing and organisational process so that Taxi services are better co-ordinated alongside other passenger transport.

4.2.4 The proposed legislative changes to better control networks are detailed in the next section of the report.

4.2.5 We understand that the proposals for revisions to arrangements for taxi and hackney carriage licensing will be subject to a more detailed consultation and may well re-emerge at a later date in a revised version.

4.2.6 Discussions continue in relation to the possible establishment of Joint Transport Authorities. Based on the consultation responses that we understand have been submitted, it appears that there is limited support for establishing a national JTA, however, there was cautious support for regional JTA, subject to further development of the proposals between WG and local authorities. This is being coordinated by the WLGA and includes regional representation.

4.2.7 It has also become apparent that discussions are on-going in relation to the possible establishment of Strategic Joint Committees within Wales. At this stage it is unclear what impact this might have on the possible establishment of JTA, however, the establishment of an SJC would potentially involve similar governance arrangements as a JTA, and could therefore be duplication.

4.2.8 Members requested regular updates on progress with the proposals to establish JTA. This is a significant item for consideration at future meetings.

4.3. Strategic Bus Network and Associated Projects

4.3.1 Among the issues causing most concern to the members of the group at present, is the current instability of bus networks in the region. Over the past few years there has been considerable upheaval, with a number of major operators ceasing to trade, leaving a fragmented network and weaker market, especially for tendered bus routes. Remaining operators have also consolidated operations, reduced the number of commercial services and increased tender costs.

4.3.2 All of this has placed considerable strain on cash limited local authority budgets. The pressure to replace formerly commercially operated bus services with tendered routes has been significant. Bus user numbers have fallen significantly as a result and some communities now have a poor or non-existent bus service.

4.3.3 The result of the changes has resulted in increased dissatisfaction with bus as a transport mode, apart from the area along the main coastal strip and to Wrexham where regular commercial bus routes remain in operation.

4.3.4 Members noted that there is a need to stabilise the current network and to attempt to identify alternative approaches to the provision of bus services. Whilst there are some proposals that could deliver an improvement included in the Improving Public Transport White paper, there are concerns that this could be 2 years or so from implementation. In addition, it is clear that that additional funding will be needed to deliver improved outcomes and that the weakness of the current market is to our disadvantage.

4.3.5 The proposals in the White Paper are broadly welcomed, but there are concerns that immediate action is needed given the rapidly changing circumstances. A useful example of this is recent changes to Flintshire network, where 13 service cancellations or change notices have been received in a 3-month period. This is causing instability on core network routes, impacting on passenger journeys and potentially leading to increased budget pressure to replicate the loss of commercial routes by providing tendered services.

4.3.6 Members considered the current situation and requested a report on potential solutions at the next meeting. Some funding (£155k over 2 years) has been provided by Welsh Government to support piloting a regional approach to the management of the network. Subsequent to the meeting, members agreed that the offer of funding should be accepted. In view of the previous meeting being an informal session, ratification of the decision to accept the offer of funding is sought from the NWEAB.

4.3.7 The emerging proposals are likely to consider options such as:

- Developing proposals for a regional strategic bus network based on an updated Bus Network Strategy;
- Developing a resourcing plan for the delivery of the strategic network;
- Identification of specialist skills and capacity to progress the regional strategic network;
- Agree standard quality partnership approach for implementation with bus operators on the strategic network;
- Consider proposals for establishing Demand Responsive Transport, including options for a “third way” operator;
- Identify and bid for additional funding to deliver the strategy.

4.3.8 Members will consider more detailed proposals at their next meeting.

4.4. Transport Decarbonisation

4.4.1 The decarbonisation of transport is a significant issue that will impact on all transport networks in the next decade. Government commitments to reduce carbon emissions from transport, including that all private cars are to be zero carbon by 2040 and significant reductions in emissions from all other vehicles, will have a profound impact on connectivity.

4.4.2 As part of the preparatory work for the transport element of the North Wales Growth Deal, funding has been allocated to develop pilot projects for decarbonisation of passenger networks in three locations across the region. These pilots will help determine a future decarbonisation strategy for the region and evaluate options that could be applied in rural and peripheral parts of the region as well as more urban and industrialised areas.

4.4.3 Irrespective of the pilot projects, there will be increased pressure to reduce the environmental impact of transport and a regional response will be required.

4.5. Rail Developments and Opportunities for Modal Integration

4.5.1 Securing investment in our rail network has been a priority for the NWEAB since inception. Significant energy has gone into developing a strategy for improvements, working in partnership with colleagues in Cheshire and Warrington. The GrowthTrack360 campaign has been influential in helping to:

- Secure a commitment to improved rail services in the Wales and Borders franchise;

- Detailed planning for infrastructure improvements at hubs and bottlenecks;
- Better links with HS2 and high speed trans-north rail schemes at Crewe etc.

4.5.2 Although our long term goal of securing the electrification of our rail network is no closer, the next 5 years will see the biggest improvement in our network in a generation.

4.5.3 There is however, still further improvement needed. Our network is constrained by a lack of capacity at key hubs in England and we need to maintain cross-border support for improvements at these key locations. The on-going discussions about the affordability of HS2 remain a high risk, especially if these mean that connecting infrastructure at hubs such as Crewe is reduced in scope. Without effective cross platform connectivity onto HS2 services at Crewe, the region will not benefit from this strategic investment.

4.5.4 There is also a need to ensure that we improve connectivity to the rail network at key hubs. If we are to develop a properly integrated transport infrastructure that supports decarbonisation of our region, then opportunities to change transport modes at key hubs is essential. Good and effective links between car / bus / rail / walking and cycling modes is essential. End to end journeys need to be quick, reliable and affordable. The roll out of the North Wales Metro concept, so that seamless journeys involving multi modal transport should help to deliver this goal.

4.5.5 We are also waiting for the announcement of the successful bidder for the West Coast Partnership. This franchise is the remaining block in securing better rail services. We have campaigned for an increase in the number of direct trains to London from North Wales, better direct rail services between Wrexham and London via Shrewsbury and effective connectivity to north – south destinations are Crewe and Warrington. This franchise will also be responsible for the initial HS2 service pattern and we are actively seeking good connectivity to the high-speed services at Crewe, but not at the expense of existing direct rail services to London.

4.5.6 Continued support and campaigning for further investment in rail infrastructure along with working with Transport for Wales to deliver the improvements planned in the current franchise, are priorities for the members of the group. Ensuring that rail will form part of an integrated transport network in the region is also a key priority.

4.6. Wales Transport Strategy / National Transport Plan and the need to review the Regional Local Transport Plan

4.6.1 The current regional Local Transport Plan for North Wales dates from 2015 and is due for an update in 2020. This plan should set out the high level priorities for investment in transport and should work together with the National Transport Plan to deliver the vision for the Wales Transport Strategy. In the past however, the various plans have not been properly integrated, with the current WTS dating back to 2008, and the NTP being revised after the LTP was completed. The next generation of plans should be an opportunity to better integrate strategic transport planning in Wales.

4.6.2 The recent decision by the Welsh Government not to proceed with the M4 relief road, possibly suggests a significant change in policy away from major road improvement schemes, especially in the context of the recent declaration of a Climate Emergency. If so, a revised WTS is essential so that strategic transport plans that reflect the changed circumstances can be prepared.

4.6.3 We understand that given the work on a revised WTS, that the requirement to deliver a new Local Transport Plan by 2020 will be delayed. This is logical given that the new plan should be written in the context of a Wales Transport Strategy that reflects current Government priorities.

4.6.4 The new Sub-Group (or JTA) should offer the potential for Cabinet Members and Welsh Government Ministers to work in partnership to deliver an ambitious strategy for improving transport in the region.

4.6.5 Members will continue to monitor progress with a revised WTS / NTP and consider proposals to prepare a new Local Transport Plan at the appropriate time.

4.7. 20mph Zones Implementation

4.7.1 In May the Welsh Government First Minister announced a commitment to 20mph becoming the default speed limit in urban areas within Wales. This announcement has significant consequences, especially in terms of managing traffic flows on main routes in urban areas, increased enforcement activity and costs of implementing the policy, revised signage etc. Whilst we understand that there will be mechanisms for local authorities to propose retaining 30mph on some major routes, the costs and impacts of progressing such a declaration could be significant.

4.7.2 To date no specific guidance or policy information has been received since the announcement, although we understand the WLGA are proposing to establish a working group with WG to review issues following the announcement.

4.7.3 Given the issues referred to above, this is a potentially significant issue that could have cost implications on local authority budgets and staffing capacity.

4.7.4 The members' Sub-Group will have a role to play in reaching agreement on any proposed regional guidance or common standards to deal with the implementation of the policy. The group will also respond to consultation documents and seek to represent the authorities in any discussions.

4.8. Unadopted Roads Strategy

4.8.1 In 2018 Welsh Government and WLGA established a joint working group to better understand the number of unadopted roads in Wales, the problems they cause and to identify potential solutions to prevent further roads being created. The working group was in direct response to concerns expressed by elected members and complaints received from the public. An initial report on changes to policies and practices relating to highway adoptions has now been prepared. Further work to understand how the backlog might be addressed is planned.

4.8.2 Members will receive regular briefings and contribute to the development of a consistent approach to the implementation of any new guidance and processes emerging from the working group.

4.9. Active Travel

4.9.1 There is an increasing awareness of the importance of active travel as part of the multi mode transport network, especially in relation to short journeys. Such journeys, often less than a mile or two are a significant contributor to localised traffic congestion. The need for improved infrastructure, especially safe cycling routes has been recognised and there has been significant investment in recent years.

- 4.9.2 Despite the Active Travel Act however, implementation has been patchy, funding is inadequate and there are often concerns from users that the quality of infrastructure provision is inadequate. It is also important that active travel routes join at administrative boundaries so that safe journeys can be achieved to destinations and employment sites. Another important consideration is that adequate provision for cycles on trains and bus routes is available. Too often, space is limited or not provided at all, undermining the potential for multi-modal end-to-end journeys.
- 4.9.3 The Sub-Group has a role to help develop consistent standards, monitor the delivery of projects and to seek additional funding to ensure that active travel networks are able to fully develop their potential in the region.

4.10. Air Quality Improvement - Impact on Transport Networks

- 4.10.1 Concerns about air quality, especially from traffic on congested parts of our road network are already causing impacts. The recent imposition of 50mph sections of road on the A483 and A494 trunk roads are the first examples of actions to reduce the impact of pollution from carbon fuels. In many of our urban areas and along busy and congested roads, it's likely there will be increasing pressure from residents, supported by legal action, seeking to improve air quality. This is likely to become a significant issue for local authorities in future years.
- 4.10.2 Having consistency of approach between local authorities, sharing experience and pooling expertise is one option to minimise the potential costs of responding to the issue. The members' Sub-Group is a useful vehicle to support this activity.

5. FINANCIAL IMPLICATIONS

- 5.1. The offer of funding by Welsh Government provides some financial resource to deliver the identified activity. It is however likely that additional funding will be needed both for capacity to deliver the agenda and to deliver specific projects or activities that could emerge from the work. Further detailed proposals will be prepared if additional resources are required and these will be subject to further reports and approvals. There is funding available within the NWEAB budget to manage the current proposed administrative arrangements.

6. LEGAL IMPLICATIONS

- 6.1. The Welsh Government White paper proposes the possible establishment of Joint Transport Authorities. The management of a JTA would be a significant additional responsibility and a significant departure from current working arrangements. The establishment and costs of managing a separate Authority could be significant. There is much detail which needs to be developed and understood.
- 6.2. The emerging proposals to establish Strategic Joint Committee's would have a potentially significant impact on local government in the region. It is not clear at this stage what the proposals would be, which areas of responsibility might fall under an SJC or how this could be implemented.
- 6.3. The current proposal is that the sub-group would work within the existing responsibilities of the NWEAB Joint Committee. Some of the possible activities for the group would appear to be outside the current Joint Committee governance arrangements. Dependent on the scope of the work plan finally agreed, it may be necessary to seek specific approvals from individual authorities to act.

7. STAFFING IMPLICATIONS

- 7.1. The offer of funding will provide some resource to support the planned work programme. Detailed discussions are planned with Welsh Government in relation to the impact of bus legislation and the potential establishment of Joint Transport Authorities. As the work is progressed there could be further staffing requirements.

8. IMPACT ON EQUALITIES

- 8.1. None at this stage.

9. CONSULTATIONS UNDERTAKEN

- 9.1. Transport Cabinet Members Group
NWEAB Executive Group
Local Authority Chief Officers for Transport

APPENDICES:

Appendix 1	Welsh Government Award Funding Offer Letter
Appendix 2	Draft Minutes from the 20 th May Sub-Group

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Accountable Body:

“The report provides a wide ranging overview of the developing regional and national joint transport working environment. It also highlights the recent announcement by the Minister of Housing and Local Government on proposals for Strategic Joint Committees. It is aimed at providing a bespoke joint working vehicle for local government which it appears could also provide an available governance structure in relation to transport.”

ii. Statutory Finance Officer (the Accountable Body’s Section 151 Officer):

“I will work with the relevant officers to receive the grant on behalf of the region. I presume there’ll be subsequent opportunities for the Board and individual local authorities to prioritize and arrange matters for further attention.”