



WELSH GOVERNMENT WHITE PAPER – IMPROVING PUBLIC TRANSPORT

Response by North Wales Economic Ambition

The North Wales Economic Ambition Board is a partnership of the six Local Authorities in North Wales along with the two FE Colleges, the two Universities and the North Wales Business Council.

The Board was established to support the development of the economy of the region and has placed considerable emphasis on the development of transport and connectivity links since its establishment. More recently the Board has become the governance body for the emerging North Wales Growth Deal, which includes proposals for improved transport integration supported by the establishment of a Regional Transport Body.

The NWEAB has ambitious proposals to grow the regional economy and has recognised the importance of effective cross-region transport links as a strategic requirement. Many successful employment locations are seeing businesses with recruitment issues whilst other parts of the region in need of better well paid employment, do not have effective transport network to allow access to employment and services.

There is strong regional support for improved bus services as part of a strategic regional network. Concerns have been expressed in the past few years as a result of a number of significant transport operators ceasing to trade. This has led to fewer bus services, a lack of capacity, increased costs and passengers losing journey opportunities. The NWEAB supports the general theme in the paper of securing better transport networks, providing more stability for bus operators and users and ensuring that our communities have effective transport links.

The NWEAB recognises the importance of delivering strategic transport on a regional basis. This is one of the key requests of Government in our planning for a Growth Deal for North Wales.

Response to questions

Do you agree that it is important for local authorities to work together with regard to local bus services? Yes/No? Please explain your answer to this question.

Over the past year the Cabinet Members with responsibility for transport have been meeting informally with a view to establishing a Regional Transport Body within the governance structure of the NWEAB. There is a political commitment to working collaboratively across the region to deliver strategic transport planning and services. The advantages from such collaboration are significant and members are keen to ensure that any such approach has the ability to be able to make meaningful change to transport networks.

On this basis, the principle of being able to work jointly within a Joint Transport Authority (JTA) has support. It is however essential that any such arrangement is accountable back to individual Local Authorities and that local governance and links with other local authority transport services, especially learner and social care, is respected.

The NWEAB is supportive in principle of establishing a JTA because of the need for transport networks to be managed and delivered on a regional basis. It is however essential that a JTA has the powers to be able to act and also that budget allocations are clear for the future.

A partnership approach between Welsh Government and regional partners that ensures a joint approach to the identification of strategic priorities for delivery is essential.

Please provide comments on the proposed organisational structures. Which is your preferred option and why?

There is broad support in the region for joint work on strategic transport. This is subject to any arrangement having suitable powers to be able to deliver meaningful change and that budget arrangements are clear and transparent. Members are clear that any such approach must have the “teeth” to make a real difference.

Although it is recognised that there are some critical issues that need to be managed on a national basis, the governance arrangements for a single national JTA are potentially complex, given the comments in Q1 above. We have concerns that the membership requirements would lead to a large and complex organisational structure, if all authorities were adequately represented on a national JTA.

On balance the NWEAB would support the establishment of a regional JTA in north Wales subject to further clarity over membership, powers, resource implications and budgets.

We consider that functions that need to be discharged nationally could be managed to establishing alternative structures, jointly agreed with Welsh Government to deliver specific activities on a national basis. This could involve representation from regional JTA forming a national delivery organisation for specific areas of responsibility.

It is recognised that the current White Paper makes high-level proposals, with further details to follow on some key aspects of the future role and membership of JTA. It is essential that Welsh Government, Local Authorities and other partners work together to shape proposals for the future roles etc.

Is there another organisational structure for Joint Transport Authorities that we should consider? Please describe.

The NWEAB is currently proposing to establish a Regional Transport Body as a sub-committee of the NWEAB. The NWEAB is constituted as a Joint Committee under the 1974 Local Government act.

Given that the NWEAB is working on a Growth Deal with a significant transport component, having effective working partnership with other regional delivery structures is essential. The proposed Regional Transport Body would be in a position to achieve this effective working relationship.

The NWEAB would propose that jointly developing a model for a regional JTA that achieves the effective regional working relationships but with the potential advantages that could be derived from a JTA being considered. A JTA approach might offer some advantages in terms of having the ability to act. There is however additional complexity and cost associated with a formal organisational structure.

Do you have any comments on the proposal that the Welsh Ministers should be represented on a JTA or any committees of a JTA?

The NWEAB recognises that a clear rationale for Ministerial representation on the JTA is set out in the White paper.

There is a case for ensuring that a strong partnership approach between Welsh Government and local government exists, so that transport network delivery can be effectively coordinated.

There are however potential issues of conflict where such an approach could cause difficulties. In particular the powers the Minister would have of Direction could be a conflict of interest for appointed representatives on the JTA. These apparent tensions could be resolved by co-design of the final preferred option.

We recognise the Ministers ambition to improve transport services across Wales and that there should be some harmonisation of standards. An alternative solution could be that Welsh Government provides clear guidance for any JTA established and links the guidance to funding provision.

The NWEAB would support a proposal where the Minister and the JTA were able to work in partnership to agree priorities for transport intervention and delivery in the region.

Do you have any comments on the proposals that the Welsh Ministers should have powers to issue guidance and directions, and to intervene where a JTA is failing to exercise its functions effectively?

The proposal that Ministers should provide guidance to the JTA is reasonable. In order to achieve consistent standards of service and delivery across Wales, clear guidance by Welsh Government would help. Ideally such guidance would allow regional differences to be accommodated. Linking the guidance to funding provision would also help strengthen this process.

In the event that a JTA is failing to deliver its responsibilities or to manage its budget effectively, there should be a mechanism to resolve such failings. This should however be balanced by appropriate and effective scrutiny through local government. Intervention should be a mechanism of last resort.

Is the proposed division of national and regional functions appropriate?

Further discussion and agreement on the proposed division of activity is needed. Our response proposes that joint development of the detailed proposals between Welsh Government and local government, in consultation with bus industry and users is required.

Should any other transport functions be transferred to a JTA? Please describe.

The White Paper proposes a transfer of functions sufficient to support the delivery of better public transport. Pooled resources within a JTA model is needed to deliver this approach. Capacity for delivery is increasingly limited in local authorities following budget reductions. A JTA or other regional delivery model can help resolve this lack of capacity.

Some services that will be retained within local government in the current proposals are however essential to the successful delivery of passenger transport. In particular, school and college transport and adult social care services are often linked with the delivery of other passenger transport services. Detailed arrangements will need to be evolved as part of the design of the JTA structures.

There is merit in considering strategic transport planning within a regional approach.

In order to support better delivery of passenger transport routes, there are clear links with Traffic Regulatory powers retained within local Highway Authorities. Consistent application across boundaries is essential to deliver efficient bus operations. Whether common standards should be coordinated through JTA should be determined during a joint co-production process.

Do you think that legislation is required to secure the benefits of enhanced partnership working? Yes / No? Please explain your answer to this question.

Making the delivery of quality bus partnership more flexible should make administrative processes easier. Additional functions could still be added to standard QP by simply entering a separate agreement with the bus operator, although these separate agreement were not always legally binding it was still possible for the operator and the local authority to work together for benefits of the public.

Few effective quality partnerships have been agreed in the past few years this suggests that revised approaches are needed to increase the number of such schemes. Legislation to simplify processes and to give a degree of incentive would be helpful.

Do you agree with our proposals for Enhanced Quality Partnerships, in particular the proposed process for developing and making EQPs? Yes/No? Please explain your answer to this question.

The proposals for EQP have merit, especially the removal of the explicit link to enhanced infrastructure contained in the existing mechanisms. An agreement to work together will still however be required. Having more flexible legislative powers does not necessarily lead to an agreement being possible.

The overall approach is one the NWEAB would support.

It would be helpful to pilot some aspects of the proposals, especially those on EQP. The NWEAB would support partaking in such pilot schemes.

Do you think that the proposed scheme provides a more workable option for the franchising of local bus services? Yes / No? Please explain your answer.

Franchising is one option that could give a high degree of control over bus routes operated. It is however unlikely to be supported by some bus operators and implementation will be contentious as a result. There is some merit in the proposal but we have some significant concerns about the impact of franchising and how it would be delivered in practice.

The key issues for local government revolve around the cost and complexity of introducing a franchised network. A fully franchised network would be beyond the capabilities of current budget availability. There are also significant limitations on the capacity and capability of local authority resources to be able to design and implement such a network.

We consider that there is merit in having provision for franchising in legislation, if only as a mechanism of last resort where effective partnership relationships are not possible.

Do you think there should be a requirement for the assessment to be subject to an independent audit? Yes / No? Please explain your answer.

In order to be sure that a franchised network is viable and necessary, we would support proposals to scrutinise and be satisfied that the procedures and assessments undertaken by a LA or regional JTA are reasonable. In view of the impacts, decisions taken should be robust and ensure compliance with the relevant legislation. Such an approach could also help to resolve disputes that might arise between the different parties.

Do you have any other comments on the proposed process for franchising?

As noted above, implementation of a franchised network would be costly and administratively difficult. There is however merit in powers to franchise being available, as a mechanism of last resort where alternative partnership arrangements have proven to be impossible to implement.

Do you have any comments in relation to the proposals for the issuing of permits in circumstances where franchising arrangements are in place?

The Consultation document does not set out the terms and conditions of the permit and its duration, which would be determined by the franchising authority. Further work is needed in this area as part of the development of detailed proposals.

Different approaches could result in inconsistencies and differences arising between neighbouring franchising authorities and create potential difficulties for bus operators serving adjacent areas and potentially lead to fragmented networks. If franchising arrangements were to be introduced, then it would be sensible to have a national framework and guidance in place to ensure consistency.

Do you agree that as part of any arrangements to let franchise contracts, specific consideration should be given to how SMEs can be enabled to be involved in the procurement process? Yes/No? Please explain your answer.

Given that many parts of Wales rely on smaller operators for services, any franchise system entered into should enable smaller operators to participate. We understand that where arrangements exist in other areas that appropriate mechanisms are in place to ensure a level playing field for smaller operators.

We would support such mechanisms as part of any legislation.

What transitional arrangements should be considered in order to ensure that bus services are not compromised during the process of preparing to franchise?

There could be circumstances where existing operators could either withdraw or reduce the quality of provision of services during the period between the announcement of a planned franchise and implementation. It would be appropriate to consider an extended period of notice to change services during the transitional stage.

We would also support proposals to pilot parts of the legislation in advance of a formal implementation date. Pilot proposals, delivered in partnership between operators and transport bodies, would be an effective way of testing the proposed legislation and a way to allay specific concerns about implementation.

Do you think that local authorities should be able to run bus services directly i.e. in-house services? In what circumstances do you think this would be appropriate? What, if any, safeguards do you feel ought to be put in place with in-house services to ensure that no local authority has an unfair advantage in a deregulated market, and why?

The NWEAB supports the principle of local authorities being able to run bus services. The rationale for this is that in some areas there is evidence of market failure within the bus industry. Recent business failures and reductions in services have left some areas with very limited provision and costs of tendering services in such areas are expensive due to a lack of competition.

The proposal has merit therefore in such circumstances

Where local authorities can demonstrate that they have been unable to procure services at reasonable cost and that other marketing approaches have not been successful, directly run services should be an option that is available.

It is essential however any such proposals are designed to work along side commercial and other services rather than in competition with other operators. This could be achieved as part of a wider partnership approach.

Do you agree with the Welsh Minister's proposal to align entitlement to a mandatory concessionary fares pass with a woman's pensionable age? Please give reasons for your answer.

Changes to entitlement of concessionary passes to reflect changed demographics are reasonable. Alignment with women's pensionable age also appears to be a reasonable yardstick.

Clearly an assessment of the implications of the change is needed and there may need to be consideration of the guidance for those who have health or other issues who may be excluded from the scheme by the increased age criteria. Any such assessment should also include a review of the

long term impact of the changes on marginal bus services and also of those operated by smaller operators, who could be impacted more significantly as a result of the change.

We would also make the case that any financial savings that come from the proposal should be reinvested into alternative service provision.

Do you agree that an incremental change is the most appropriate method?

Yes – this will ensure that there is no impact on existing cardholders

Do you agree with our proposal to require the release of open data on routes, timetables, fares and tickets? Yes/No? Please explain your answer to this question.

This is a reasonable proposal and one that we would support; arguably this requirement is overdue.

The proposal would enable better co-design of services and networks and also help highway authorities to identify areas for improvement in support of services.

Any such proposals implemented should be done in a way that minimises cost and complexity for operators. The NWEAB considers that it would be appropriate for this to be delivered on a regional footprint so as to minimise the administrative burden.

Do you agree with our proposal to enable local authorities to have the power to obtain information on services which are cancelled or varied, and where appropriate, disclose this information as part of the tendering process? Yes/No? Please explain your answer to this question.

Yes – the proposals are reasonable. In many areas, effective relationships are in place to ensure information is provided in a timely way, which allows authorities to react to changed service patterns.

There are however frequent changes to timetabled services where limited notice is given and this has caused specific problems in north Wales in recent months. The recent reduction in the number of operators has exacerbated the situation.

These frequent changes to timetables and services have caused significant disruption for users and additional cost to local authorities in recent months.

Being able to access timely information to support alternative service provision is essential if local services are to be maintained.