

<b>MEETING</b>	<b>Communities Scrutiny Committee</b>
<b>DATE</b>	<b>12/09/2024</b>
<b>TITLE</b>	<b>Developments in the field of Public Transport</b>
<b>REASON TO SCRUTINISE</b>	<b>The Council Plan 2023-28 - A Green Gwynedd</b>
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<b>CABINET MEMBER</b>	<b>Councillor Dafydd Meurig, Cabinet Member for the Environment</b>

## **1. Background and Context**

1.1 An update on developments in the field of Public Transport was provided at the Committee meeting on 13 July 2023 and before that on 15 September 2022.

- Report submitted to the Communities Scrutiny Committee on 13 July 2023  
[Report Update - Developments in public transport.pdf \(llyw.cymru\)](#)

- Report submitted to the Communities Scrutiny Committee on 15 September 2022  
[Report- Developments within the public transport sector.pdf \(llyw.cymru\)](#)

1.2 This report:

- Develops on the previous reports providing an update on the cross-county review of the bus network that Cyngor Gwynedd is responsible for which has now been completed. This includes an explanation of the bus network in Gwynedd and the arrangements that underpin and maintain this along with the strategic link with the Council's Plan 2023-28.
- Responds to the issues raised by the Committee including the additional questions.

## **2. Gwynedd Bus Network**

2.1 As with other areas, the arrangements that maintain the public bus network in Gwynedd are complex.

2.2 There is no single body, company, organisation or authority with full control of the network.

2.3 Services are provided:

- a. directly on a commercial basis by companies
- b. by agreement (De minimis or by procurement) to Cyngor Gwynedd
- c. by agreement (De minimis or by procurement) to Transport for Wales
- d. combination of a.-c.

- 2.4 Profile a.-d. can and will change over time. This is very evident at present as there is so much volatility and various factors influencing and affecting the industry across Wales.
- 2.5 The arrangements that carry out specific journeys, which form part of a wider service, can be different.
- 2.6 While there will be shared principles, this is not always the case with the priorities and motives of the key stakeholders.
- 2.7 The level of influence one stakeholder has over another/others ranges from zero to substantial depending on the specific arrangements in place.
- 2.8 Logistics, technical and legislative constraints and resource availability influence the level of provision.
- 2.9 There are 7 different existing models in terms of how bus services are delivered and maintained in Gwynedd.

Model	Type of Service	Arrangements
1	Local Bus Service: Commercial	Provided by companies on the basis that the service is commercially viable.
2	Local Bus Service: Deminimis	The majority of journeys are provided by companies on the basis that the service is commercially viable but receive contract for certain journeys.
3	TrawsCymru	Part of the TrawsCymru network. Under contract to Transport for Wales on behalf of the Welsh Government.
4	TrawsCymru	Part of the TrawsCymru network. Under contract to Cyngor Gwynedd. The Welsh Government has paid for the electric buses and charging infrastructure.
5	Fflecsi	Part of the wider Transport for Wales fflecsi scheme. Transport for Wales provides the bus.
6	Fflecsi	Part of the wider Transport for Wales fflecsi scheme. Under contract to Cyngor Gwynedd. Transport for Wales provides the buses.
7	Local Bus Service: Agreement by Procurement	Under contract to Cyngor Gwynedd. The Council sets the specifications for the level of service etc.

### **3. Council Plan 2023-28**

3.1 As part of A Green Gwynedd priority in the Council Plan 2023-28, the following has been identified as one ambition:

- A public transport network that meets the various needs of the communities of Gwynedd.

3.2 With the following project a means to achieving this:

- We will be reviewing our existing public transport provision with the aim of developing a public transport network that will be convenient, dependable and reasonably priced to enable Gwynedd residents to travel with ease every day of the week.
- As a part of this plan, we will also introduce new electric buses.

3.3 The following provides an update on the project:

3.3.1 Cyngor Gwynedd, through close collaboration with Transport for Wales, has been reviewing the public bus network in Gwynedd. This has been done on an area-by-area basis.

3.3.2 New services have started in the areas of:

- Caernarfon and Dyffryn Nantlle (July 2023)
- Meirionnydd (February 2024)
- Bangor and Dyffryn Ogwen (June 2024)

3.3.3 These contracts are set on a five-year basis with an option for up to two additional years.

3.3.4 We went out to tender in the Dwyfor area in April 2024 - unfortunately, we could not award the tenders due to:

- A lack of interest and competition in providing the level of service introduced to the market.
- The tenders received did not meet the needs of the specifications.
- The tenders submitted were significantly higher than the current prices despite requiring the same level of resource but deployed in alternative ways.
- The prices received through the purchasing process were significantly higher compared to costs seen in other areas and therefore unaffordable.

3.3.5 In light of the above reasons, the current services had to be re-tendered in exactly the same way as the previous ones for a two-year period with an option of + 1 + 1 year.

3.3.6 The T22 service started on 12 February 2024 using 4 electric buses. The new service operates between Blaenau Ffestiniog, Porthmadog and Caernarfon. The initial use of the service is elaborated below (4.12).

#### 4. Matters to be Scrutinised

##### What is the situation regarding public use of public transport services?

4.1 See below information on the number of journeys in the areas where we have tendered public buses compared to the previous year. These give an indication of usage but do not reflect the network as a whole as we do not receive the data for commercial services.

4.2 Here is the data comparison of 2022/2023 v 2023/2024

Service	2022/23 Journeys	2023/24 Journeys	Comparison
<b>Caernarfon + Dyffryn Nantlle Network</b>	284,671	312,043	<b>+10%</b> , namely an increase of <b>27,372</b> journeys
<b>Cambrian Coast G23 Network</b> (November to March)	25,638	27,788	<b>+8%</b> , namely an increase of <b>2,150</b> journeys
<b>Sherpa'r Wyddfa</b>	399,086	511,194	<b>+28%</b> , namely an increase of <b>112,108</b> journeys
<b>Gwynedd Network as a whole</b>	1,752,434	1,900,867	<b>+8%</b> , namely an increase of <b>148,433</b> journeys

4.3 The following shows journey data on TrawsCymru services that are commissioned and managed by Transport for Wales on behalf of the Welsh Government but are a key part of the bus network in Gwynedd.

T2 Bangor – Aberystwyth  
T3 Abermaw - Wreccsam  
T10 Bangor – Corwen

	Q1			Q2			Q3			Q4			Total	
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23		
T2	21878	23788	23920	26042	27290	27254	25907	25500	22495	22886	24516	27041	298517	
T3	13355	14782	15719	17062	16051	17612	15826	14708	12584	13337	13789	14603	179428	
T10	1706	1733	2101	2137	2395	1781	3054	2733	2501	2643	3201	3225	29210	
	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24		
T2	25814	29374	29562	28881	28769	30118	29446	29395	24516	24100	25238	27955	333168	12%
T3	14783	17655	17589	17288	16166	17253	14291	13189	12508	11723	13284	14846	180575	1%
T10	3885	4498	4324	4691	5241	4609	4048	2653	2984	3231	3435	4565	48164	65%

## **Has the review managed to respond to the requirements of communities?**

4.4 The intention of the review was to:

- Optimise resources to maximize attractive travel opportunities for the public. This includes potential as well as existing customers in an effort to make the services environmentally and financially viable and sustainable.
- Have a clear and transparent system in terms of how the services are maintained. This is vital and necessary in the current financial climate and we also need to ensure fairness, an element of competition and compliance with procurement processes relating to significant expenditure of public funds.

4.5 In the areas where the output of the review has been implemented, we have:

- Introduced standard timetables that are easy to understand and remember.
- Introduced a higher service frequency on some routes.
- Introduced a standard and attractive ticket price based on distance.
- Seen better coordination of services in hubs which allows for better integration and connectivity between services and therefore facilitates travelling farther as well as local travel.
- Introduced alternative provision to historical/traditional services where usage was low or very low.

4.6 On the whole, this has resulted in positive feedback and an increase in passenger numbers which bodes well for the viability and sustainability of the services in moving forward.

4.7 This is in a climate where bus passenger numbers across Wales have been steady or declining. In other areas, rationalisation and cuts in bus service levels have already been implemented and it is likely that more of this will be seen in the short to medium term.

4.8 Unfortunately, it will never be possible to meet everyone's travel needs and expectations. To be financially and environmentally sustainable, a critical number of customers are required to travel on the buses regularly and continuously. Buses will not be able to meet individual needs or where numbers are small or minimal.

4.9 The passenger figures are encouraging and support the view that the review has been a success. Another measure of success is the fact that funding has been granted to support and maintain the new network based on the collaborative approach that underpinned the review.

## **How successful is the use of electric buses?**

4.10 The T22 service started on 12 February 2024 using 4 electric buses. The service operates between Blaenau Ffestiniog and Porthmadog every hour and between Porthmadog and Caernarfon every 2 hours Monday to Saturday. There is a Sunday service between Blaenau Ffestiniog and Porthmadog only.

### Use of the service

Month	Number of passengers
February 2024	7,680 from 12 February 2024
March 2024	13,135
April 2024	13,558
May 2024	14,887
June 2024	15,368

- 4.11 As can be seen, passenger numbers are increasing on a monthly basis, with a number of passengers travelling for the first time since the electric buses started running.
- 4.12 The feedback from the provider of using the electric buses has been positive and encouraging from an operational point of view.
- 4.13 While electric buses are better for the environment it is unlikely that this in itself has a significant influence on usage. This will be more directly influenced by other factors such as the level of service including frequency, route, days and hours of operation and the cost of travel.
- 4.14 During 2024, Transport for Wales has introduced new diesel buses on the T2 and T3 TrawsCymru routes operating in Gwynedd.

### Opportunities and challenges in the field.

- 4.15 Changes in the legislation regulating the arrangements for bus services in Wales will provide opportunities to review the provision of bus services here. It is hoped that this will lead to optimising resources by avoiding duplication, improved co-ordination of the network on a holistic basis by putting passengers at the centre of how the system is designed and delivered. This approach was at the core of the recent review into the bus network in Gwynedd.
- 4.16 Undoubtedly, the biggest challenge in the field are the complexities and financial risks associated with operating the bus network. There are a number of funding streams that are confirmed on a year-on-year basis, contributing to the instability, concern and risk and making it difficult to plan ahead with confidence.
- 4.17 Currently, a number of income streams provide a financial foundation for local bus services, which include:
- Ticket Boxes
  - Payment for the transport of eligible learners
  - Subsidy payments for tendered contracts and/or de-minimis arrangements
  - Live Kilometre Payments of the Bus Service Support Grant
  - Reimbursements for the Mandatory Concessionary Travel Scheme

- 4.18 The profile and value of the above will vary, possibly significantly, between operators and routes. Therefore, the complexity in how services are funded is a difficult issue to analyse in an objective, meaningful and useful way, as the profile of income streams can vary significantly.
- 4.19 Officers from the Integrated Transport Unit are in ongoing contact with peers in Transport for Wales, the Welsh Government and other Local Authorities with a view to securing the financial support from different streams needed to maintain the network. This has been instrumental in securing the additional funding that has been needed to maintain the existing network as a result of the cross-county review.
- 4.20 Due to COVID, significant funding was set aside by the Welsh Government to sustain and support the bus industry in Wales through those difficult and challenging times. This was through various grants that were reviewed and modified over the period. This is now included as part of a Bus Network Grant.
- 4.21 There are likely to be further changes to how the Welsh Government funding is to support bus provision in Wales in the coming years. It is hoped that the arrangements will be rationalised and become clearer with legislative and structural changes. With this, maintaining the network and a transformed level of provision will be the priority in the short to medium term in Gwynedd.
- 4.22 There are other challenges and risks that include the viability and resilience of the local provider market. It has been, and continues to be, a challenging and volatile time for the providers and the market in general with several factors contributing to this including:
- lack of qualified and experienced Public Service Vehicle (PSV) bus drivers.
  - capacity problems that limit the training and examination of new drivers.
  - higher and unpredictable operating costs which include those related to fuel.
  - changes to support mechanisms and funding.
  - uncertainty about future travel patterns, ticket box usage and income.
  - changes in relation to governmental roles, interventions and responsibilities.
  - disruption to supply chains affecting fuel, vehicle supply and parts.
  - review business models explaining real operational income and costs.
- 4.23 Several companies have left the industry in recent years across the country. If the local market is unable to meet needs, it may be necessary to look at other models of service delivery including on a last resort operator basis.
- 4.24 There are financial, legal, reputational, economic and social risks associated with the provision of local bus services.

**Regional and national developments and the impact of the developments on Gwynedd.**

- 4.25 The Regional Joint Corporate Committee is being established and this includes work to establish a Strategic Transport sub-committee.
- 4.26 Work is ongoing to develop a Regional Transport Plan for North Wales. The Plan will support local partners to work at a strategic level to take the objectives set out in Llwybr Newydd - the National Transport Plan for Wales - and achieve them in a way that is tailored to their context. It will ensure that services meet the needs of the people and communities they serve. The Welsh Government's Metro programmes are central to the vision of an accessible, sustainable, and efficient transport system, set out in Llwybr Newydd.
- 4.27 A review of the legislation applying to bus service provision in Wales is underway. In March 2022, the Welsh Government published its White Paper **One network, one timetable, one ticket: planning buses as a public service for Wales** ([One network, one timetable, one ticket: planning buses as a public service for Wales \[HTML\] | GOV.WALES](#)) which sets out its proposals to transform bus services in Wales. The Welsh Government's aspiration is to move towards a franchise model where it will be possible to take a more holistic overview and greater control over the network from the public sector. This is likely to apply to Gwynedd when the current agreements expire.
- 4.28 The final report of the North Wales Transport Commission ([North Wales Transport Commission: final report | GOV.WALES](#)) was published in December 2023. This includes an overview, on a regional basis, of the situation with buses and makes recommendations for improvements.
- 4.29 There will be a need to be aware and respond positively to changes in the funding sources that underpin the bus network in Gwynedd as this is vital to maintaining them. This applies regardless of the basis upon which the services are provided as they all offer travel opportunities for Gwynedd residents.

## 5. Additional Questions

**How can Elected Members support the department as it deals with changes to public transport and propose ideas to ensure a service where there are existing gaps?**

- 5.1 As is already happening, ongoing communication with the Integrated Transportation Unit.

**What are the Service's arrangements to communicate changes to bus services with local councillors?**

- 5.2 Integrated Transport Unit staff look to communicate and update local stakeholders including Councillors as soon as possible. This is clearly in everyone's interest and benefit. This is also in the context that the Unit is not responsible for the network as a whole and with this reacting and sharing information about changes where others have made decisions and/or are leading.

- 5.3 We work closely with Transport for Wales to share information about the services they provide, are responsible for have an interest in.
- 5.4 Information about changes is updated on the Council's webpages: [Bus timetables \(llyw.cymru\)](#) and information is shared on the Council's social media accounts, and information is also posted about any significant changes on the Members' Intranet.

**How long is there between awarding a contract and changes to bus services coming into effect? Is it possible to ensure a sufficient period before implementing the change to give users time to familiarise themselves with the change?**

- 5.5 This can depend on what has led to the procurement process. If this is programmed, then the period tends to be more extended while this is shorter when the process has commenced in reaction to decisions by others.
- 5.6 Providers, regardless of the basis on which the service is provided, need to register any bus service with the Traffic Commissioner and there are protocols, commitments and expectations associated with this. Generally, providers need to give the Traffic Commissioner 56 days' notice before changing, starting or ending a service.
- 5.7 Procurement processes can be complex and there is a lot of work and considerations going on in the background that can only happen during different stages of the process. This means that it is not always possible to offer the level of notice that anyone would want before changes are introduced.
- 5.8 As far as possible, Integrated Transport Unit staff work hard to put the operational and administrative arrangements in place and then provide the information about any changes with key stakeholders which include the public and Councillors once these have been confirmed.

**How is a bus route planned and what considerations are in place to ensure that the route is as suitable as possible for communities?**

- 5.9 This is dependent on a number of factors. Firstly, on what basis the service is provided, i.e., commercially, partly commercial or commissioned?
- 5.10 As general principles, the intention will be to optimise resources, both in vehicle and driver terms, to maximise usage providing services that are attractive. This can mean and include rationalising along a main route without serving all communities to preserve reasonable and attractive travel time for the majority. These considerations and principles have informed and guided the approach to the recent review.

## **How do you collaborate with providers?**

- 5.11 Staff at the Integrated Transport Unit are in continuous contact with the providers. The approach is to try to maintain a healthy relationship for the benefit of passengers. This is in the context that our priorities and objectives will not always be aligned. There are a variety of reasons for this, which include the Council takes an overview of the network as a whole when, quite understandably, the providers' focus tends to be on their own operation.

## **6. Conclusions**

- 6.1 The arrangements and funding streams that maintain the bus network are complex. There are several different factors that can influence the situation from a cost perspective and the type and level of service that can be offered.
- 6.2 For most stakeholders, and passengers in particular, they will not be aware or much concerned about the basis on which a bus service is provided. What is important to them is that there is a bus that meets the needs, if not always their wishes, desires and expectations.
- 6.3 There are clear risks to the Council in this regard because while other stakeholders may to some extent turn their backs and walk away there will be an expectation that the Council somehow maintains the provision. Often when changes occur, whatever the basis or the cause may be, stakeholders tend to turn towards the local authority for responses and solutions.
- 6.4 It has been an ongoing challenging time for the bus industry across Wales and there have been a number of reasons for this. The situation has reached a point in some areas where it is not necessarily a lack of budgets that has led to rationalisation and a reduction in the number of travel opportunities but rather, that the local market cannot or does not want to offer the provision. The level of provision, even with financial support, reflects what the providers can and want to provide rather than what the local authority would wish to see.
- 6.5 The Council has undertaken proactive work, in conjunction with Transport for Wales, to review and lay the foundation for a revamped network. This is recognised as good practice and the approach the Welsh Government wants to see in moving towards a public bus system that is maintained and delivered on a franchise basis. It is assumed that the next comprehensive review of the bus network following this period will be done on a franchise basis, which will reflect a change in legislation and the role and responsibilities of local authorities, Transport for Wales and the Joint Corporate Committees.

- 6.6 This work has resulted in benefits for passengers by providing more attractive, consistent and appropriate services to reflect the needs in different areas of Gwynedd. The work has also maximised resources within the system through improved coherence of services which includes integration and interface between local provision and TrawsCymru services. Despite this, there has been a significant increase in costs associated with the provision of public buses and the financial situation maintaining networks is complex and unpredictable.
- 6.7 With this, the Council will need to be aware of this and consider options to respond to a variety of scenarios that are often beyond our direct control. These include decisions made by commercial companies, changes in passenger numbers, changes in streams, Welsh Government grant amounts and allocations.
- 6.8 In an increasingly challenging financial climate for the Council, it will be necessary to consider how much funding the Council wants and can contribute to maintaining the network. Should it be necessary to rationalise and reduce services in the short-term to reflect the financial situation, then this would pose risks in terms of potential challenges for the cancellation of contracts, the impact of reducing travel opportunities on Gwynedd residents and that it is contrary to many of the strategic ambitions and objectives on a national (Llwybr Newydd - Transport Strategy for Wales), regional (North Wales Transport Commission, Regional Transport Plan) and local (Gwynedd Plan 2023-28, Climate and Nature Emergency Plan) level.
- 6.9 There are examples across Wales where the level of bus service and travel opportunities have been reduced, rationalised and in some cases lost altogether and this includes traditional bus services and those such as the Bwcabus/Flexi in south-west Wales.
- 6.10 The difficult reality is that to maintain the same, or similar level, of bus travel opportunities, it is going to cost more at a time of financial squeeze, challenge and continuous reduction in budgets in general and specifically within the transport field. It is a very volatile climate with influential factors changing rapidly and continuously.

## **7. Consultation**

- 7.1 Contact, consultation and engagement with key internal and external stakeholders takes place on an ongoing basis. This includes the public, colleagues in other departments, politicians, providers, other local authorities, the Welsh Government and Transport for Wales.
- 7.2 We seek to respond positively to the feedback and input received when there is an opportunity and ability to do this. Examples of this have been achieved as part of the recent review.
- 7.3 It can be difficult to consult intelligently and purposefully on some aspects of bus provision. Inevitably when changes are mentioned, either designed and planned or on a reactive basis, it can be difficult to reach a consensus about what and who gets priority. Therefore, it is often necessary to try to find a compromise.

## 8. The Well-being of Future Generations (Wales) Act 2015

- 8.1 We **include** residents and service users by receiving feedback. This includes requests, complaints, comments and other input from the public, users and potential service users on an ongoing basis.
- 8.2 A public transport system that is affordable, viable and environmentally sustainable relies on a critical number using the services on an ongoing basis. With this in mind, we look to respond positively to any contact by providing the most attractive level of services possible with the resource available accepting that it will not be possible to please everyone. This is especially true where demand is low or very low. This is in the context that the Council is not solely responsible or in control of the network as a whole as the providers themselves and increasingly Transport for Wales have a role in this.
- 8.3 We **collaborate** with the other key stakeholders including the providers, the Welsh Government and increasingly Transport for Wales. Officers have developed positive relationships with their peers at Transport for Wales and this approach to collaboration has underpinned the recent review and the resulting benefits.
- 8.4 At a strategic level we provide input into the development of the Regional Transport Plan through the Joint Corporate Committee.
- 8.5 We collaborate with:
- Other Local Authorities and Transport for Wales on specific projects which include Sherpa'r Wyddfa.
  - Other Local Authorities on a regional basis in the administration of some grants.
  - Transport for Wales / Welsh Government on specific services including the TrawsCymru and the fflecsi network.
  - Third Sector on community transport services to see where gaps, which are not met by traditional public transport, can be filled.
- 8.6 We are looking to **prevent** problems from arising or worsening in the future by working closely with the other key stakeholders and are aware of the fact that it is an unpredictable period and one that will witness a transformation in how public buses are delivered in Wales.
- 8.7 We consider the **long-term** through the Regional Transport Plan and the work of the Joint Corporate Committee.

8.8 The nature of the work involves a need to **integrate** with other public bodies including other Local Authorities and the Welsh Government on an ongoing basis and this is likely to increase as the Joint Corporate Committee becomes established.

## **9. Impact on Equality Characteristics, the Welsh Language and the Socio-Economic Duty**

9.1 Providing a level of public transport service supports resilient and thriving communities.

9.2 The information provided by the Council is provided in Welsh and English.

## **10. Next Steps**

10.1 Monitor the revamped services and look to respond positively to feedback when possible and appropriate to do so.

10.2 Respond to any changes in services provided on a commercial and/or de-minimis basis.

10.3 Look to secure the necessary funding to maintain the network.

10.4 Continue to work with the other major stakeholders including the providers, Transport for Wales, Welsh Government and other Local Authorities to maximise the provision and travel opportunities.

10.5 Raise awareness of the underpinning arrangements and maintain the local bus networks with a view to meet expectations where possible and manage and lower expectations where meeting these is not possible.

10.6 Provide input at national, strategic and regional level that will have an influence on provision in the short, medium and long-term with a view to providing the best possible level of bus services for Gwynedd residents.

10.7 Seek to influence and then respond positively to legislative and structural changes that will have an impact on bus networks.

10.8 Re-examine the network and arrangements in Dwyfor and undertake preparatory work to align with the terms of the contracts that have been put in place. This will include engagement with Local Members.