

14 JULY 2022

REGIONAL BUS UPDATE

REPORT OF CARDIFF CAPITAL REGION DIRECTOR AND TRANSPORT & ENERGY MANAGER

AGENDA ITEM 7

Reason for Report

1. To update members on progress with the draft response to the Welsh Government White Paper Consultation on bus reform. To ask Members to make a request to Regional Cabinet to fund an initial piece of work to provide an independent assessment of the Regulatory Impact assessment and White Paper, to the value of £75k, which will be used to inform the CCRTA response.
2. To request delegation to the Chair of the CCRTA to approve the response.
3. To advise Members that further work will be required to inform the Regional Transport Plan (RTP), through the Corporate Joint Committee (CJC) remit once operational, to include a financially modelled Strategic Outline Business Case for the delivery of the bus network in the Cardiff Capital Region (CCR), at an estimated cost of circa £500k.

Background

4. Bus services play a vital role in facilitating social inclusion and addressing climate change. Historic declines in patronage have been accelerated following the Covid Pandemic.
5. The Welsh Government is proposing changes to the legislation governing planning and procuring Bus Services, with a move from commercially led provision to centrally planned services through a franchising arrangement.
6. Whilst the aspirations for service enhancements are strongly supported, there are considerable risks associated with the proposals, including significant implications for the Local Authorities in respect of funding and staff resources.

7. Proposals will also dilute the Authorities powers of intervention, with a move to centralised planning and procurement, which are subject to the approval of the Minister.
8. There is also a risk that the proposals will have a business risk to the current operating models of SMEs and the two municipals operating in the Cardiff Capital Region. These companies provide a significant proportion of home to school travel in the region and any decrease in supply could limit the ability of authorities to meet statutory duties.
9. There is limited detail within the White Paper and supporting Regulatory Impact Assessment to evaluate the financial implications and potential impact on other budget streams. This is a particular concern and Officers are engaged in ongoing discussions with Welsh Government to seek clarity.
10. In view of the above concerns, KPMG has been commissioned to provide an independent assessment of the Regulatory Impact assessment and White Paper which will be used to inform the CCRTA response.
11. Consultation commenced during the pre-election period, with a high degree of turnover of CCRTA members. CCRTA have been granted an extension until the 20th July 2022 to submit its response. Given the tight timescales and scope of works, KPMG will report back on the 14th July to enable officers to review the output before submitting the final response. It will not be possible to table the report within the cycle of Member meetings; therefore, delegation is sought for the Chair to approve the final submission.
12. Whilst the initial KPMG commission focuses on the white paper, there is a need for further work to identify the potential resource implications for the region to take forward bus provision, particularly in advance of the proposed franchising model, where there is a high risk of service change and requirement for public sector support. This work will be required to inform the preparation of the RTP and will need to be considered under the future decision-making process of the CJC. This work would include a financially modelled Strategic Outline Case for the future of the bus network and is expected to cost in the region of £500k.

Local Member consultation (where appropriate)

13. Not appropriate.

Reason for Recommendations

14. Members note the issues identified in the report and the progress to date on the response.
15. Members agree to delegate authority to the Chair of the CCRTA to sign off the final response to the consultation.
16. Members agree to recommend to the Regional Cabinet to provide funding of £75k to enable KPMG consultants to provide an independent assessment of the

Regulatory Impact assessment and White Paper, which will be used to inform the CCRTA response.

17. Members note the requirement for further work to be undertaken to inform the preparation of the RTP once this work can be carried out through the CJC decision making process.

Financial Implications

18. The report recommendations result in additional financial implications of £75,000 to fund an independent assessment of the Regulatory Impact Assessment and WG Bus White Paper. This can be funded from the CCR programme development and support budget.
19. Any further work undertaken to inform the preparation of the RTP, would need to be considered as part of the CJC approved budget and through the CJC decision making process.
20. Any recommendations arising as a result of the WG Bus White Paper consultation and future development of the RTP will need to be fully considered as part of separate business cases with appropriate due diligence and as part of the wider CJC budget consideration.

Legal Implications

21. There would be significant legal implications to the proposals set out in the White Paper which would be brought back to a future meeting of this Board for consideration.

Well-being of Future Generations (Wales) Act 2015

22. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:
 - a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
 - b) public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. age; b. gender reassignment; c. sex; d. race – including ethnic or national origin, colour or nationality; e. disability; f. pregnancy and maternity; g. marriage and civil partnership; h. sexual orientation; i. religion or belief – including lack of belief, and;
 - c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a

'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRC) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the CCRTA should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

23. Put simply, this means that CCRTA must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, CCRTA must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

24. CCRTA must be satisfied that the proposed decision accords with the principles above. To assist CCRTA to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 1.

Equality Act 2010

25. In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the Regional Cabinet must in making decisions have due regard to the need to (1) eliminate unlawful discrimination (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are:

- age;
- gender reassignment;
- sex;
- race – including ethnic or national origin, colour or nationality;
- disability;
- pregnancy and maternity;
- marriage and civil partnership;

- sexual orientation;
- religion or belief – including lack of belief.

RECOMMENDATIONS

26. It is recommended that the CCRTA:

- (1) notes the issues identified in the report and the progress made to date on the response;
- (2) agrees to delegate authority to the Chair of the CCRTA to sign off the final response to the consultation;
- (3) agrees to recommend to the Regional Cabinet to provide funding of £75k to enable KPMG consultants to provide an independent assessment of the Regulatory Impact assessment and White Paper, which will be used to inform the CCRTA response;
- (4) notes the requirement for further work to be undertaken to inform the preparation of the RTP once this work can be carried out through the CJC decision-making process.

Clare Cameron
Transport & Energy Manager
Cardiff Capital Region
15 July 2022

Kellie Beirne
Director

Appendices

Appendix 1 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation:</p> <p>Clare Cameron</p> <p>Phone no: 07976 708539</p> <p>E-mail: clare.cameron@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>To provide members with an update on progress with the draft response to the Welsh Government White Paper Consultation on bus reform and to request delegation to the Chair of the CCRTA to approve the response.</p> <p>To request that Members consider procuring a further piece of work to undertake a financially modelled Outline Business Case for the future of the bus network in the CCR.</p>
<p>Proposal: Bus Reform</p>	<p>Date Future Generations Evaluation form completed: 14 July 2022</p>

1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Any nus reform proposal will be considered as to what impact on the strategic objectives contained within the Prosperity and Opportunity theme.</p> <p>In particular, the programme will greatly assist in providing the right provision to improve connectivity by means of good transport links.</p> <p>Bus reform will assist in creating a seamless network allowing ease of transfer between modes. The programme will facilitate ease of access for communities across South East Wales, for those with and without access to a private car thereby improving connectivity to a range of services.</p> <p>Bus reform will improve connectivity to the South Wales Metro, permitting regional connectivity throughout South East Wales and beyond.</p> <p>Bus reform will allow for individuals, households, public sector and business to grasp new opportunities, from the improved bus services provided.</p>	<p>Proposals to improve progress against each of the projects currently in progress – are set out in the report. This report does not seek to simply report progress – but to address the actions needed to drive it.</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>By improving buses throughout the South East Wales region, bus reform will help increase the skills base of the labour market, by providing means of access to new educational, employment, healthcare and training opportunities.</p> <p>As bus reform includes investment across the whole of South East Wales it will improve the quality of the region as a whole and is likely to encourage new inward investment as businesses have access to a wide pool of potential resources that can easily travel around the region to access new job and training opportunities.</p> <p>The programmes clearly demonstrates a commitment to a sustainable future, as bus reform promoting sustainable transport.</p> <p>The Statistical Bulletin on the regional economic and labour market profile issued by the Welsh Government in January 2018 shows the employment rate, economic inactivity rate and benefit claims and ILO unemployment rates for 16+ across Wales. It can be seen that the International Labour Organisation (ILO) unemployment rate for South East Wales is higher than for Wales as a whole (5.6 compared to 4.7 for Wales as a whole).</p> <p>A breakdown of the data shows that the highest rate of ILP unemployment for 16+ is within Merthyr Tydfil (7.6) and second is Rhondda Cynon Taf (6.3). Both these local authority areas are within South East Wales and will directly benefit (as will all communities across South East Wales) from the improved transport provision that bus reform would deliver.</p> <p>Bus reform will deliver direct transport improvements into those areas where evidence shows high rates of claiming job seekers allowance, allowing access to sustainable public transport for those seeking</p>	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>employment, increasing their chance of gaining employment through access to wider employment markets.</p> <p>Bus reform will deliver a transport network penetrating the most deprived areas, providing a means of travel to major cities such as Cardiff and Newport, permitting access to a wide range and higher number of employment opportunities for all community members located within the most deprived areas of South East Wales. This will increase their personal prosperity and the economic prosperity of the area within which they live as they spend their income on local goods and services. Currently most travel-to-work trips into Cardiff are made by car (58%), while the proportion of sustainable travel-to-work trips diminishes with the distance of commuting.</p> <p>Buses provide an alternative for access into areas such as Cardiff from all areas of South East Wales, helping to facilitate modal shift. This could lead to journey time savings on the road network across South East Wales helping businesses and promoting economic development.</p>	
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Enhancement of bus provision will open up journey alternatives for commuters, business users and leisure users. Instead of automatically undertaking a journey by car, the provision of bus will encourage modal shift to public transport for a range of journey types.</p> <p>This could help to reduce the number of car journeys undertaken, helping to reduce congestion and improve other environmental factors such as an improvement in air quality and noise reduction from vehicles.</p> <p>The development of new bus services which can utilise new technologies such as electric charging</p>	<p>This activity will be driven up in future. In addition as physical infrastructure schemes enter delivery – more comprehensive assessments will need to be carried out in full.</p>


Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>points and electric vehicles within its operation and design will also allow formation of new industries to supply these services. A report prepared by Cenex demonstrates the need for a Programme of Electric Vehicle Infrastructure within the Programme and has proposed the level of infrastructure likely to be required up to 2030.</p>	
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>A potential reduction in car trips may make the roads safer, thus opening them up for more Active Travel journey opportunities. There is also likely to be growth in active travel journeys undertaken to bus stops.</p> <p>The potential to increase active travel journeys will have associated health benefits leading to cost savings across a range of health service provisions. There can also be economic benefits for the region from increasing active travel. It has been quoted in the 'Transport Fit for Future Generations' Report that 'expanding the investment programme in Active Travel out to the whole of the Cardiff Capital Region would cost approximately £290 million but would result in economic benefits of £2.5bn over 20 years, delivering a 19% and 82% increase in walking and cycling trips respectively'.</p> <p>CCR is working with bus operators to provide better infrastructure that improves reliability and working in partnership to encourage operators to invest in newer buses, electric vehicles and providing better access to information, thus aiding positive improvements in air quality through ULEV vehicles and more reliable provision.</p>	
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>Bus reform will greatly assist in providing infrastructure to improve connectivity by means of good transport links.</p>	<p>A greater contribution will be made to this by the aforementioned data capability, sectoral analysis and place assessments.</p>



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>All of the combined improvements in interchanges, Park and Ride and bus priority will assist in creating a seamless network allowing ease of transfer between modes. This will facilitate ease of access for communities across South East Wales, for those with and without access to a private car thereby improving connectivity to a range of services. The Metro Plus Programmes will also improve connectivity to the South Wales Metro, permitting regional connectivity throughout South East Wales and beyond.</p> <p>Currently most travel-to-work trips into Cardiff are made by car (58%), while the proportion of sustainable travel-to work trips diminishes with the distance of commuting. The Metro Plus Programmes provide an alternative for access into Cardiff from all areas of South East Wales helping to facilitate modal shift. This will lead to journey time savings on the road network across South East Wales helping businesses and promoting economic development. Journey time savings will also be achieved for users of the public transport network, as the Metro Plus Programmes promote the co-locating of modes via seamless interchanges. A greater contribution will be made to this by the data capability, sectoral analysis and place assessments.</p>	
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Bus reform across the whole of South East Wales will improve the quality of the region as a whole. Therefore, it is likely to encourage new inward investment as businesses have access to a wide pool of potential resources that can easily travel around the region and wider, to access new job and training opportunities.</p>	<p>Develop the legacy impact of the event, sustaining new connections, sharing great practice and potentially securing propositions and deals that support economic growth.</p>



Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	Buses will sustain new connections, share good practice and secure propositions and deals that support economic growth.	
<p>A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Providing new and improved sustainable transport and infrastructure across the Region will help increase the means of access to sport and recreation. All signage will be bilingual, and buses are already equipped with Audio Visual (AV) for those vehicles younger than 2012 to enable them to deliver bilingual messaging.</p>	
<p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>City Deal is about delivering across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives. Bus reform will support a more productive economy through an increase in access to the South Wales transport network. This will allow for individuals, households, the public sector and businesses to grasp new opportunities, from better access provided by new and improved transport options. Transport improvements throughout the South East Wales region will help increase the skills base of the labour market, through providing means of access to new educational, employment, healthcare and training opportunities. Bus reform will deliver direct transport improvements into those areas where evidence shows high rates of claiming job seekers allowance, allowing access to sustainable public transport for those seeking employment in wider employment markets. This will increase their personal prosperity and the economic prosperity of the area within which they live as they spend their income on local goods and services.</p>	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Balancing short term need with long term and planning for the future</p>	<p>Bus reform assists Government with delivering on the four Grand Challenges within the UK Industrial Strategy - Future of Mobility; Artificial Intelligence and Big Data; Clean Growth and Meeting the Needs of an Ageing Society. Being a solution that is focused on the provision and improvement of sustainable transport, it helps in particular to achieve the goals of a 'globally responsible Wales', 'A Wales of cohesive communities', 'a healthier Wales' and 'a prosperous Wales'.</p> <p>Bus reform will provide increase network capacity, providing new and improved transport facilities and services, increasing capacity at interchanges across the rail network along with providing new capacity along transport corridors such as between Newport and Cardiff and the Abertillery to Ebbw Valley Railway line.</p> <p>In developing a future for bus, long terms trends have been analysed. For example, the need to provide for electric powered vehicles needs to be investigated. A separate report produced by Cenex has considered how electric vehicle charging can be provided, what type of provision is required and the operating model for implementation. Bus reform also looks to address future trends such as population increases and decreases, providing increased public transport capacity and helping to prevent out-migration from some communities through improved access.</p>	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Working together with other partners to deliver objectives</p> <p>Collaboration</p>	<p>Bus reform will be formed through collaborative working by ten local authorities (Caerphilly CBC, Cardiff CC, Bridgend CBC, Newport CC, Vale of Glamorgan Council, Rhondda Cynon Taf CBC, Merthyr Tydfil CBC, Monmouthshire CC, Torfaen CBC, Blaenau Gwent CBC). The Well-being objectives of each of the local authorities will be considered when developing the programme.</p> <p>The inclusion of EV Charging is also supported by WG and work has been undertaken by Cenex to assess the demand up to 2030 at the locations identified.</p>	<p>Public consultation will take place through the WeITAG process as each scheme develops through the WeITAG stages, and, as the proposal includes all schemes identified within individual LA LDPs, the public will have already had an opportunity through the LDP consultation process to consider the principle of individual schemes.</p>
 <p>Involving those with an interest and seeking their views</p> <p>Involvement</p>	<p>Bus reform will be considered through collaborative working by ten local authorities (Caerphilly CBC, Cardiff CC, Bridgend CBC, Newport CC, Vale of Glamorgan Council, Rhondda Cynon Taf CBC, Merthyr Tydfil CBC, Monmouthshire CC, Torfaen CBC, Blaenau Gwent CBC). The Well-being objectives of each of the local authorities will be considered when developing the programme.</p> <p>Cenex were commissioned to consider EV Charging to be included within the Programme and to assess likely demand up to 2030.</p>	<p>More needs to be done to develop engagement platforms – beyond formal partnerships – to reach communities, hard to reach groups and those who currently have a limited understanding of City Deal. Improving social media, web presence and marketing materials will increasingly make a contribution to this.</p> <p>The RTA will ensure that all partners are included whilst delivering the Programme.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Putting resources into preventing problems occurring or getting worse</p> <p>Prevention</p>	<p>The provision of bus services is designed to prevent further environmental damage from transport through the promotion and development of a sustainable transport network.</p> <p>Population in some communities is projected to decline (such as some valleys communities, where younger members of the community leave to seek job opportunities in larger towns and cities). The provision of more bus services linking into the wider Metro network will provide an effective transport system, connecting major towns and cities across Wales for those communities where population is declining. This may permit people to stay within the community within which they have grown up, commuting to and from employment as an efficient transport network is available, rather than needing to relocate to seek employment.</p>	<p>This will be an increasing focus of scheme and programme delivery.</p>
 <p>Considering impact on all wellbeing goals together and on other bodies</p> <p>Integration</p>	<p>Bus reform will be developed with consideration to a wide range of contextual factors. Strategic fit of the programme will be considered along with a number of other wider issues such as carbon reduction.</p> <p>In terms of the bus impact on local authority wellbeing goals, a positive impact is likely to be seen. In particular the provision of bus will help to achieve goals that aim to tackle poverty and deprivation, improve access to skills, improve employment opportunities and provide improved infrastructure and healthier communities.</p>	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The provision of bus services will help to achieve goals that aim to tackle poverty and deprivation, improve access to skills, improve employment opportunities and provide improved infrastructure and healthier communities for all characteristics as all infrastructure included within the projects will be designed in accordance with current inclusive design.	None arising at this time.	
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex	As above		
Sexual Orientation	As above		
Welsh Language	As above	Not at this time but the situation will be kept under review.	

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?

Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care		

5. What evidence and data has informed the development of your proposal?

- Evidence and input contributed by theme leads
- Outcomes of assessments such as audit reports
- Delivery against targets set out in individual business cases/ approved project documentation

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. .

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this project will be evaluated on:	Delivery of schemes
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