



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Cynaliadwyedd
The Sustainability Committee**

**Dydd Iau, 6 Rhagfyr 2007
Thursday, 6 December 2007**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Lorraine Barrett	Llafur Labour
Mick Bates	Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor) Welsh Liberal Democrats (Committee Chair)
Alun Davies	Llafur Labour
Andrew R.T Davies	Ceidwadwyr Cymreig Welsh Conservatives
Lesley Griffiths	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Darren Millar	Ceidwadwyr Cymreig Welsh Conservatives
Karen Sinclair	Llafur Labour
Leanne Wood	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

David Brown	Cadeirydd, Cyd-ffederasiwn Cludwyr Teithwyr Cymru Chair, Confederation of Passenger Transport Cymru
George Muir	Cyfarwyddwr Cyffredinol, Cymdeithas y Cwmnïau Trenau Director General, Association of Train Operating Companies

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Joanne Clinton	Dirprwy Glerc Deputy Clerk
Dr Virginia Hawkins	Clerc Clerk

Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Mick Bates:** I welcome committee members and our witnesses to this morning's meeting of the Sustainability Committee. First, I have to make the usual housekeeping announcements. In the event of a fire alarm you should leave the room by the marked exits and follow instructions from the ushers and staff. There is no test of the alarms planned for today. Please ensure that mobile phones, pagers, BlackBerrys are switched off, as they interfere with the broadcast equipment. The National Assembly for Wales operates through the media of Welsh and English. Headphones are provided through which you can hear the simultaneous translation. For those who are hard of hearing, they can also be used to amplify

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9.31 a.m.

Ymchwiliad i Leihau Gollyngiadau Carbon yng Nghymru Inquiry into Reduction of Carbon Emissions in Wales

[2] **Mick Bates:** In today's meeting, the committee will take evidence on the transport section of this inquiry into carbon reduction in Wales. It is my great pleasure to welcome George Muir, the director of the Association of Train Operating Companies, and David Brown, chair of the Confederation of Passenger Transport Cymru. Croeso i chi.

[3] We have received your excellent papers, and are deeply enthusiastic about helping the Government to reduce carbon emissions. We look forward to your opening remarks, and then Members will ask questions, which will be put to you together and separately. I believe that George Muir will kick off.

[4] **Mr Muir:** I am the director general of the Association of Train Operating Companies and I am very pleased to be here. We are very aware of the need to reduce the carbon used by the railways. We are large users of power, and our electric consumption is about three quarters of 1 per cent of the entire UK supply of electric power. So we are intensely interested in the quantity that we use and how we get it. The themes that we can develop during the session are first, that we participate in the Government's overall strategy for carbon reduction, which has, in simple terms, two elements. Large generators are caught by the European carbon trading scheme. For middle-level users of power, a new scheme is being developed by the Department for Environment, Food and Rural Affairs, namely the carbon reduction commitment. That is a carbon trading scheme for middle-level users of power.

[5] As far as the railway is concerned, we are doing three things, and I can elaborate on these later in the discussion. Next year, we will produce a carbon reduction trajectory, or a trajectory for the carbon that we use on the railway. We are doing the work on that now and we will produce a trajectory next year. Secondly, we want to do whatever we can to encourage the use of public transport and the railway. We want the railway to be the backbone of an easier-to-use system of public transport. Thirdly, because rail has environmental benefits over other modes, we want to identify ways to double the size and use of the railway within a reasonable time period. In essence, Chair, those are the three points that I would like to develop later if you would like to ask me about them.

[6] **Mick Bates:** Thank you. I am sure that Members share your ambition of doubling the size of passenger transport. That is interesting. We turn now to David Brown, who will make his introductory remarks on behalf of the Confederation of Passenger Transport Cymru.

[7] **Mr Brown:** I am pleased to be here today, because one of the biggest sources of carbon emissions is transport. We need to understand the vital role that transport plays in terms of social inclusion and the economy. So, part of the challenge is to maximise the potential to travel, but minimise carbon emissions arising from it. That is where we are coming from. Perhaps the most effective way of reducing carbon emissions in transport is to achieve modal shift from the private car to more sustainable forms of transport. Although I am here to represent the bus industry, we would include rail, walking and cycling within that framework. Encouragement for a modal shift to bus comes in two ways—the carrot and the stick. The carrot is to have a bus network that is a realistic alternative to the car. The biggest obstacle to bus use is traffic congestion and reliability. If you were to improve reliability, that would be the key factor. Improving reliability means investment in bus lanes, bus priority at

junctions, proper enforcement of parking regulations—which is probably our single biggest gripe at the moment; cure that and you will cure more than 50 per cent of our operational problems—and statutory quality bus partnerships and park and ride to make bus transport an effective alternative.

[8] We are not anti-car, and it is quite right that we should optimise the use of the current transport framework, but we believe that building our way out of the problem is not the solution. Therefore, there needs to be some form of demand management, and along with most transport professionals, we think that some form of road user charging is inevitable. We have been pushing for regional road user charging in south-east Wales, which is where the biggest traffic problems are. We were part of the report to Cardiff Chamber of Commerce's transport forum entitled 'Going the Extra Mile', which you may have seen; if not, I would commend it to you. It makes the case for road user charging to invest in sustainable transport. So, modal shift is the first issue.

[9] The second issue is the quality of the fleet. My company, Cardiff Bus, has just got rid of its last orange double-decker buses, which will not be seen in Cardiff any more, and those vehicles were something like 20 times plus more polluting than the new Euro 4 engine vehicles that have replaced them. So, in terms of making a big impact in the bus network, the answer is investing in a modern fleet. The Assembly can assist with that by encouraging the use of statutory quality bus partnerships where a minimum standard of cleanliness is specified, specifying a minimum Euro-type engine in all contracts and tenders, predominantly through influence of local authorities. There is the potential to influence investment through the bus services operators' grant, which the Assembly has a say in, and through the retention of the concessionary fares scheme, which has probably done more to create investment in modern vehicles than any other single event in living memory—it has made a huge difference. We would also suggest that recognising environmental achievements, such as the Green Dragon standard—it does not just apply to the bus industry but to any industry—is an opportunity to recognise companies that are working towards environmental standards.

[10] The third core element is new technology, which tends to be the bit that people are excited about, but which should come after you have achieved the modal shift and the modern fleet. The options include ethanol, which is nil polluting, broadly carbon neutral and a proven technology and a relative inexpensive penalty on top of a standard diesel engine. We have thought about investing in ethanol, but there is a debate over the sustainability of ethanol—you will have heard the arguments about it. The second type of technology is hybrid technology, with a combined diesel and electric engine, which is exciting and under development. It has a number of benefits in terms of reduced pollution and reduced carbon emissions. It is close to commercialisation, but it is very expensive. We have some concerns about the whole life cost—the technology depends on batteries, which are dirty things and need replacing every so often. The holy grail is the fuel cell, which, whatever people say, is still a very emergent technology, but we believe that it is likely to be the technology of the future, and that is where we are heading.

[11] Finally, and I appreciate that I have gone on for slightly longer than my three minutes, there is the issue of grant funding. There are two elements of grant funding from the Assembly; one is using the Assembly's authority and powers to assist operators in accessing existing funding streams. For example, Cardiff Bus is trying to access European framework programme funding, and we need strong partnerships and a body with the power of the Assembly to help us to access that. In its own right, the Assembly has been involved in kick start funding, for example, in revitalising the links between Caerphilly and Cardiff by bus, and also the link between Cardiff city centre and the bay, with the BayCar bus. Those are things that could not have happened without intervention, but the aim is for a relatively small amount of money upfront which pump-primes the market and quickly moves it onto a commercial basis. So, those are some of the key things that we are looking at.

[12] **Mick Bates:** Thank you. That was a very up note on which to end—thank you for your introductions. One of our main concerns in what is quite a severe economic climate, is that whatever priorities that we have to reduce carbon in bus and rail travel, we get the biggest bang for our buck, so to speak. What is your main priority to achieve that, to ensure that we reduce carbon and with the most cost-effective spend? George, would you like to go first?

9.40 a.m.

[13] **Mr Muir:** It is difficult to give a simple answer to that, although, generally, allowing or encouraging transport users simply to use less power reduces our costs, and, given the price of power now, we are hugely motivated to reduce power. That will cost the Assembly nothing, and is of benefit to us. The theory is that that needs to be achieved through carbon trading schemes. So, the high-level Government strategy for doing this is through carbon trading schemes, to put a cap on the amount of carbon and to force the users of power and carbon to trade among themselves, but within the cap. It is a great theory and let us hope that it works. What I see happening in the steps that are now being taken with the European trading scheme and the local UK equivalent to that, are faltering steps towards a process that, in theory, introduces constraints and limits that can be used over time, over many years, to ramp down the amount of carbon.

[14] **Mick Bates:** Why do you say that the steps into carbon trading are faltering?

[15] **Mr Muir:** The European carbon trading scheme is an extraordinarily ambitious thing to try to do, to measure accurately the carbon that is used by all of the big generators in Europe—from the south of Italy to the north of Scotland—to then institute a set of permits and to arrange that people trade fairly, equitably and accurately, carbon use from Sicily to John O’Groats. This is ambitious stuff, so it is not at all surprising that there have been a lot of complaints as to whether it has worked or not, with the vast scope for fraud and jiggery pokery. [*Laughter.*] In the next five years, or maybe 10 years, it does not matter exactly whether it works, but it is a process that will at least get accurate measures of where carbon is being used. The first scheme is biting on large generators and, in Britain, the Department for Environment, Food and Rural Affairs is working to introduce something that will bite on middle users—typically a station, so that the stations of all big power users, such as all train operators, will be caught by this scheme and will have to be measured, introducing permits and trading.

[16] **Mick Bates:** I have one final question on that. Returning to your statement that this is faltering, how much is the price per tonne a factor in this faltering start to carbon trading?

[17] **Mr Muir:** I do not know whether this answers your question directly, but the European carbon trading scheme bites on the very big users of carbon, in particular the UK electricity generators. Electric power is supposed to have gone up already in price by between 5 per cent and, some people have even said, 10 per cent, because of carbon trading. So, that price signal is already coming into the market. The lights in this room now cost 5 per cent more to run than they would have had we not had a European carbon trading scheme.

[18] **Mick Bates:** That is a nice analogy. David, would you like to look at how you are prioritising getting the biggest bang for your bucks?

[19] **Mr Brown:** Let us start with the things that are free or would not cost you any more than you are already spending. On bus lanes and bus priorities, the Assembly has allocated, and consistently allocates, money for those purposes, which remains largely unspent by local authorities. So, in Cardiff, money that was allocated to the Caerphilly road corridor was returned, because bus lane priorities were politically undeliverable. Similarly, we are trying to

develop a statutory quality bus partnership on the Cowbridge road corridor, and the Assembly Government has made money available for that. It should have been completed a year ago, but there are still issues with regard to local residents and so on.

[20] So, local politics rather than Welsh politics more generally cause resistance at local level down to the level of individual households. It is not an issue of money, but of political will to say that what is right for the majority must overrule the legitimate concerns of individuals. Therefore, a framework that addresses that would cost nothing on top of what you are already doing. Similarly, proper enforcement of parking regulations is a local authority issue. The resistance tends to come from motorists. It is not really a financial issue; it is about political leadership and the political will to make it happen. Where it is in place, it has made a huge difference with regard to changing the balance from an anarchy-type situation to one that favours a properly regulated environment with public transport at its heart.

[21] All of those things are in the Wales transport strategy, but they cost relatively little, and they are really about political will. I could say the same about statutory quality bus partnerships and park-and-ride schemes. The part that costs a little bit more, but not a huge amount more, is using the Assembly influence in the procurement process. So, instead of price always being the key factor in contracts, quality or carbon emissions can readily be specified. For example, in any transport contract that the Assembly has involvement in, it could require a minimum of a Euro 3 or higher engine be employed. Clearly, that will increase the price of the tenders, so there is a cost, but it means that the operators will invest in new buses, and having new buses will attract more passengers, and the process becomes self-propagating. Those are the key areas.

[22] **Mick Bates:** It is interesting that you highlight political will, because there is no cost involved in that. You mention money being returned, and I noticed Members' ears pricking up at that idea in this age of financial stringency. How much money are we talking about?

[23] **Mr Brown:** For the Caerphilly road project, it was, I think, £3 million.

[24] **Mick Bates:** Where are these figures available, so that we can scrutinise them? It seems quite important to do that.

[25] **Mr Brown:** They are certainly available from Welsh Assembly Government officers. The director, Robin Shaw, would be well aware of the issues.

[26] **Mick Bates:** We need to find out about that. Our researchers will provide the committee with those figures. Thank you for raising that interesting point. Members will now go into more detail on that background information; that was a very interesting start. Karen, you want to look at inter-modal transport.

[27] **Karen Sinclair:** Yes. I think that it was you, David, who mentioned pump-priming transport links, and how that helps. It is there, and it is to be hoped that people will start to use it. It was the same with the north-south rail link. I am an average user; I use it every week. When I first started using it, it was quite empty, but now it is full, and the change is absolutely brilliant. What else are the rail and bus industries doing to encourage a modal shift from private car to rail and bus services? It is quite difficult to get people to move from one to the other. I am thinking about public safety, perceptions of safety, and the possibility, certainly with buses, of services perhaps stopping on demand in the evening, so that people do not have to walk miles from a bus stop to get to their homes, because a single woman who lives between two bus stops will not want to use the service. How much thought has been put into changing people's perceptions of the way in which buses and trains can work for them?

[28] **Mr Brown:** We are doing a lot. Each company has a different approach, but, in the bus industry, there is a recognition that the tide has turned. One of the factors in Wales is the concessionary fares scheme, which has prompted a new wave of investment and thought about the service. From my company's point of view, we are trying to develop a product that is attractive to commuters, whom we see as the core market. These are people who genuinely have a choice. At the moment, they come in by car as sole occupiers and park all day in the city centre. The bus is a viable alternative to that, so we must ask how we attract commuters on to the bus. It is about having an interesting product, and it is about branding, design, comfort, ease of use and information, which is a key factor, and the Assembly, for example, supports Traveline, PTI Cymru Ltd, travel information.

9.50 a.m.

[29] It is also about addressing commuters' concerns, such as safety, which you mentioned. All our buses now have closed circuit television on board and they do not just have them on board, they also have television monitors that display the pictures every so often, so if you were thinking of doing something, you would think, 'I will be in court', and that also gives an element of comfort to passengers. Well-lit bus shelters are another factor, with which we are fortunate in Cardiff, but not all parts of Wales have that. We need to change people's perceptions. The reality is that public transport, and bus transport in particular, is now very comfortable and modern, but the perception is to the contrary—it is about smelly, old buses that are out-of-date and old-fashioned. It is about addressing those perceptions and having a product that people feel comfortable in using. Generally speaking, when people start to use a bus, it is working.

[30] You mentioned pump priming. The bay car is a classic example because you will all be familiar with it. Before the bay car existed, we had the bay express, but the bay express was tucked away behind the bus station, out of sight, and people used to think that it was a private bus service. I know that it is empty a lot of the time, but you cannot miss the bay car. One of our aims was to consider if you want to get to the bay, how do you do it? I would think that most people in Cardiff know exactly how you get to the bay now, by going around the city centre. Capacity is important, so that you can manage the big events and the day-to-day issues, but so is a level of comfort. People talk about being quite happy to travel on a tram and the bay car was trying to replicate the tram, in a way, to give the same sort of appearance. Of course, that is also happening with the FTR in Swansea, which is a road-based tram-type system. It is probably about changing perceptions. You mentioned safety particularly, but it is not really an issue; it is the perception of safety that is the concern.

[31] **Karen Sinclair:** However, the perception is as important as reality, is it not? You have to get past that perception, otherwise people will not try and then they will never know.

[32] **Mr Brown:** It is about creating a positive image of transport and working with others, using CCTV and the media and so on, to overcome those perception issues.

[33] **Mr Muir:** It is one of those things to which there is not a simple answer. We will encourage this by not just one big scheme, but a thousand schemes, which are very local and specific. The particular thing that the railway is working on now is improving stations. That is one theme, but the trouble is that there are dozens of themes. One of the themes is to improve stations. On the railway, there is now good collaboration and planning between the train operators and Network Rail to take advantage of what, over five years, across England and Wales, will be about £1.5 billion for stations. That includes a particular amount of £150 million that is being allocated particularly to improve stations. Some more money is going into stations to make them more attractive. We are particularly anxious to leverage in joint funding for bus interchanges, improving tickets and generally making the station a much more welcoming place and to improve the integration with buses. It really is 1,000 things and

the people who could describe best what the railway is doing in Wales are the representatives of Arriva Trains Wales, who would be delighted to come and give you the details. I could tell you what is happening elsewhere, but you would be more interested in what is happening in Wales.

[34] **Mick Bates:** I think that we will leave the details of the performance of Arriva Trains to another committee that deals specifically with transport.

[35] **Mr Muir:** I am sure that you know the company well.

[36] **Mick Bates:** I note, with great interest, the figure that you suggested was going to be invested in improving stations. I hope that you are familiar with the Cambrian line, where there is a great need.

[37] **Darren Millar:** In your opening remarks, David, you mentioned that you felt that a modal shift from the car onto public transport would only really be seen if road pricing schemes were introduced. Do you not think that there is a potential problem if there is not a level playing field around the UK? Effectively, if road pricing was simply introduced onto trunk roads in Wales, for example, you could actually have an adverse effect on carbon emissions. A lot of the traffic that comes into north Wales, for example, does so because of tourism, in and out of the country. If you are going to introduce road pricing, which would put up the cost of holidaying in north Wales, then, potentially, people are going to be more likely to go abroad to some of the sunspots of Europe, for example, on cheap flights, and carbon emissions will potentially increase. Therefore, how do you square that circle?

[38] **Mr Brown:** It makes sense to have an integrated approach across the UK. However, that does not mean that every part of the UK has exactly the same pricing structure. The particular issues that we are addressing are in south-east Wales, where we have particular congestion problems. You could perhaps extend it to Swansea; other areas do not have congestion. Therefore, you can have a variable charging scale by time of day, and by route. In south-east Wales, the problems occur during the peak period. One of the biggest single causes of traffic congestion is the largely unnecessary journey such as the school run. We notice a huge difference during the holiday periods as we do not have traffic problems.

[39] Therefore, the problems are variable by area, and nil in some areas. So, you probably need to have an integrated charging structure across the UK, but how it applies by region could be decided regionally or locally. In mid Wales, I would guess that there is no great argument for it, although, even in some of the towns in mid Wales, there are issues emerging when everyone goes to work. However, the main purpose of road charging is that it is not so much an element of it being a stick, but that every penny raised through road-user charging is ploughed straight back, on a hypothecated basis, into sustainable forms of public transport. Therefore, it is a case of upping the quality and the quantity of public transport at the expense of the private car.

[40] **Darren Millar:** It is this non-level playing field that concerns me. Ironically, many of the tourists that come to north Wales, in a car for example, like to use the buses when they get here in order to get around, particularly the open-top buses if they want to do some sightseeing. Therefore, it seems that you may actually reduce the number of passenger journeys, particularly made by visitors, rather than increase them through that sort of penal charging on motorists. We know that bus links are pretty poor in rural areas, so people who tend to use the trunk roads, and may cause congestion in some places, use a car to commute to work out of necessity. That, therefore, seems to be very penal. I know that George wanted to come in on this.

[41] **Mr Muir:** I possibly disagree a little with my colleague, David. With road-user

charging, you have to be clear as to exactly what your objective is. It started as a way to control congestion, because it was presented as a net zero tax; from the national Government's perspective, it is presented as net zero. Therefore, almost by definition, that does not involve a carbon objective, but it is a congestion objective. The congestion charge in London is a congestion objective and not a carbon objective. To a certain degree, there has been a move away from the idea of national road-use charging, because the priority now is much more about carbon reduction as opposed to local congestion.

[42] **Mick Bates:** Thank you; that is useful.

[43] **Mr Brown:** May I come back on one point?

[44] **Mick Bates:** Yes, briefly.

[45] **Mr Brown:** The factors include the charge amount, the time of day, and the day of the week. The main problems with congestion are during the weekdays—the business week—and therefore it is right that it should be focused on the peak periods of up until 9 a.m., and then perhaps the rush hour between 4.30 p.m. and 6 p.m.. In terms of tourism, therefore, you can gear it so that tourists can travel at a lower rate, or free of charge, during the main course of the day. One thing that one is trying to do is to spread the load—you are not trying to stop people from travelling; you are trying to spread the load more evenly. London is a different case, but one of the biggest causes of carbon emissions is traffic jams. One car can go from A to B in a quarter of an hour while another journey over exactly the same number of miles can take half an hour. The latter journey does not quite produce twice the level of carbon emissions of the first, but it is not far off. So, keeping the traffic moving is another key objective of congestion charging.

10.00 a.m.

[46] **Mick Bates:** Thank you; that is an interesting point.

[47] **Lorraine Barrett:** I will ask the Assembly Government if Penarth can have the £3 million that Cardiff sent back, because the traffic jams getting out of Penarth just shoot the emissions level through the roof for the people of Penarth and Cogan. That is one of our priorities. It would be easy to have a whole session of this committee on travel in Cardiff and Penarth, but we will try to resist that, Chair.

[48] **Mick Bates:** This is about carbon reduction.

[49] **Lorraine Barrett:** I know, but it has a knock-on effect, does it not? My question to both of you is this: what should the Assembly Government do to encourage that modal shift from the private car to rail and bus? My car is in the garage at the moment and, for the last couple of mornings, I have taken the train from Penarth, from around the corner from where I live, got off at Cardiff Central and taken the BayCar, which comes every 10 minutes right through until midnight. People need to realise that it can be easy and efficient to get around the city. Apart from the things that you have already told us about in relation to bus lanes in particular, and the Assembly Government grants, what else should the Government be doing with regard to trains and buses to encourage that modal shift?

[50] **Mr Muir:** I hesitate because, at the modal shift level, it is about getting the local issues right, and I am not sure that I am best placed to answer on the practicalities of that. What we are clear about is that there must be a certain amount of money available for improving stations and interchanges, which we are doing, and there is a process to try to allocate the total money so that Wales gets a fair share. However, regarding what is actually done with the money, we are keen that it should be decided locally, rather than having central

schemes. David is probably better placed to answer the detailed questions.

[51] **Mr Brown:** Penarth would have exactly the same problems, as it is not a financial issue—it is about political will and the allocation of road space. So, I do not think that money is the issue there.

[52] On trains, although Arriva is not represented here today—

[53] **Mick Bates:** Arriva was invited.

[54] **Mr Brown:** What I can say on Arriva's behalf, in interpreting its position, is that its problem is that it is already operating beyond capacity, so a modal shift to what is already an overly busy network does not necessarily help. The issue that Arriva is working with is trying to increase the capacity of the network so that it can absorb the additional load—again, the Assembly is aware of this—in terms of more trains, longer trains, longer platforms, better signalling at Cogan junction, and so on.

[55] From our point of view, I mentioned that the priority is about getting the track so that we can operate reliably and frequently. We need a stable planning environment. I talked about the concessionary fares scheme, and that has been a big success for Wales, and it is important to sustain that, as well as the commitment to bus service operators grant, which I think is now a devolved issue. It is not a subsidy as such, but it means that bus operators get their fuel duty rebated, exactly the same as for air and rail transport, so it creates that level playing field. Perhaps the biggest thing is the leadership that we talked about in making the bus an acceptable form of transport among business people and politicians. When the bus is talked about, it is usually as a form of transport for those who cannot afford a car, or those who have not made it in life—it should be perceived as the transport method of choice. So, again, I come back to political leadership and political will to put that on the agenda. The building blocks are there in the Wales transport strategy and are clearly understood.

[56] **Lorraine Barrett:** I would be interested, as we all would, in looking at pan-Wales issues. It is easy to concentrate on this area, around Cardiff as the capital, but Darren mentioned rural areas, and outlying areas. I have no idea what it is like to get a bus or a train from west Wales, or north Wales, for example. Would it be useful for us to have a paper about coverage or how the bus network of each local authority works? Should the Welsh Assembly Government put more pressure on local councils? Should it say, 'Here is the money and this is the bus network that we want' and tell the local authority to deliver bus lanes and say that because it does not want to make the political decision, we will make it for it?

[57] **Mr Brown:** The private sector will respond to the signals and if the infrastructure is put in place, the frequency, the reliability and the investment will go in to meet that. Clearly it will go into the areas where the passenger demand is greatest, and there are some areas where it is just not possible to provide a service on a commercial basis. We have said consistently that, in terms of carbon emissions, which is what we are talking about today, rather than public transport per se, it is about focusing on the core routes where you can make a big difference by getting people out of their cars and onto trains or buses. Clearly, that will be focused on south-east Wales and the Swansea corridor. You can achieve a reduction in carbon emissions by getting people out of their car and onto the bus in mid Wales but it will be by a factor that is tiny in comparison. So, it is about focusing the attention in the area that is going to make the biggest difference. There is, of course, a big issue in terms of local travel but I am not sure that that is relevant to carbon emissions. Long-distance travel, of course, is. Clearly, having train links between north and south Wales—and, for example, I am going up to Llandudno today by train—and east and west Wales is critical, and I know that the Assembly is well aware of that. However, in terms of carbon emissions that are being generated and the impact that the Assembly can have in mid Wales, it would only be targeting a very small part

of it, whereas you have the big, easy-to-get-at bits in the south-east. So, if the target is carbon emissions, focus on where the big transport issues are happening.

[58] **Lorraine Barrett:** How are the rail and bus operators involved in the new transport planning processes in Wales? You refer to the Government's transport strategy and the four regional consortia's transport plans.

[59] **Mr Brown:** The four consortia contributed directly as a trade body by commenting on the Wales transport strategy, and we contribute directly through the various committees with the consortia—the South East Wales Transport Alliance is the one that I am particularly involved in—and the various working groups are part of that. I will leave this chamber of commerce document with you if you have not seen it, because it picks up on some of these things. There are two key issues in transport planning. One is the political will to make it happen, and it is all very well to talk about reconciling economic, social and environmental objectives but when you get conflict between all those things, it becomes very difficult, and I understand that it becomes very difficult to reconcile the objectives. The other issue is funding. Given what needs doing in Wales, even if the National Assembly made it its absolute priority, the amount of money that could be made available to support it is not enough and, hence, I come back to revenue-raising measures, such as road-user charging, to finance the investment that is necessary to achieve the objectives. So, with the transport strategy as it is, our concern is that it is undeliverable because there will not be sufficient political will to make it happen and because the amount of finance available is not enough to achieve the objectives, and that is what we are trying to reconcile.

[60] **Mick Bates:** I think that those last two sentences will be printed out.

[61] **Andrew R.T. Davies:** On Leanne's point, accepting that there might be the political will to create the capacity, Veolia Transport Cymru, one of the operators in the marketplace recently came in and took over a lot of independent companies. In the Vale of Glamorgan, in particular, it ran routes for a certain time and then gave notice to stop running those routes. In the Vale of Glamorgan, the capacity was there to find alternative operators. I understand that there was a similar exercise in Powys, which is a far more rural area, and a lot of independents felt that when it came to re-tendering in a couple of years' time, they just would not be there. Does the bus industry have the capacity, going forward, to meet the aspirations of people who want a good, functioning, modern bus network or, with the consolidation, is it going to be a case of only the more commercially viable routes succeeding and the buses just not being there?

10.10 a.m.

[62] **Mr Brown:** I have to be careful as you mentioned a specific company name and there are issues in Powys at present. For those of you who are not aware of it, essentially what has happened is that, in Powys, there was a network of small operator companies providing services to the local authority, particularly for schools work and for tendered work. Following a recent round of tendering, a new French company, Veolia, trying to establish itself in the UK, managed for whatever reason to win virtually all the work in Powys. As a result, the small operators all went out of business. The question that we must ask ourselves is what happens in two or three years' time when the next round of tenders comes up and there is only one company in operation? I know that Powys is being asked whether it got the tendering process right and whether the outcomes were, indeed, desirable.

[63] There is also an issue in the Vale, which has a very low population density, meaning that there is not a huge demand. So, changes such as an operator pulling out do make a difference, but there are other operators: Cardiff Bus operates in the Vale, and a company called EST has picked up a number of the contracts left over. So, it has been sustained, but

making sure that the procurement process is not just about the lowest price today is an issue; it must take a five to 10-year view as to how the market will be.

[64] **Andrew R.T. Davies:** A more sustainable model.

[65] **Mr Brown:** Yes.

[66] **Mick Bates:** I think that we are veering a little away from carbon reduction. George, did you wish to comment on any of the points raised in the last few questions?

[67] **Mr Muir:** These are quite local ones. Going back to something that I said at the very beginning on carbon reduction, this is big, long-term stuff and we are not going to solve it in the short term. If we are to make more use of the railway, which is more efficient, we need an energy policy. Where are we going to get the energy in 20 years' time to drive the trains, and how will we do so on a low-carbon basis? We do need political leadership on this, as it really concerns us, and so one thing that the Assembly can really do is support an effective energy policy that will deliver an ample supply of low-carbon electric power in 20 to 30 years' time. We have no expertise, and do not propose to suggest whether it should come from windfarms, nuclear power or tidal power; however, we have no prospect of reducing carbon on the railway unless we can get an ample supply of electric power. I know that you are having presentations from the power generation as a part of this. We in the railway can do many things in the short term, and we have been talking about them, but the big issue in 20 or 30 years' time is where we get our power from.

[68] **Lesley Griffiths:** Passenger Focus has recently undertaken research that shows that, when rail passengers decide on which journey to take, environmental concerns are not high on their list of priorities; they prefer to think about cost, comfort and speed. What are the rail and bus industries doing to convince people to change transport modes?

[69] **Mr Muir:** I am aware of that research. It is not a large factor in passengers' decisions, but we do think that there has been a change from two or three years ago, when sustainability would not have been an issue at all. I think that it is now at least beginning to be an issue, albeit not yet a major one.

[70] Your general question is asking what we are doing to attract passengers to the railway. The railway in Britain has been the fastest growing in Europe for the past 10 years. That is partly because the train operators are hugely focused on their local passengers. In the past few years, we have been trying to get the basics right: safety and punctuality. Punctuality in particular should get better. It is good now, but it should improve. We are now trying to move towards a much more responsive approach for passenger services, by having some sense of identification between the train company and the passengers so that the passengers feel much more welcomed. It is a move from getting simply the basics right—you turn up and the train is clean and arrives on time, and all these good things—towards trying to become more personalised and welcoming to individuals.

[71] **Mr Brown:** It is difficult to promote the environment issue if you do not have a fleet or a bus network that you can be proud of. So, I guess that it depends on what message each operator wants to put out. My company was reluctant to push the environmental agenda too quickly when we had 25-year-old buses. They have all now gone, and so we are in a position to do so. So, the first thing is to ensure that the product is properly environmentally friendly to start with, and then you can begin to promote it. We are doing that in campaigns. Instead of selling the space on the sides of buses to advertise the latest film or whatever, we are marketing the buses themselves and positioning them in an image. You will see that the messages on the back of our new vehicles are about environmental issues.

[72] I am not familiar with the research, but our own research has shown that young people are much more aware of environmental issues than older people are. It is a generational thing, I suppose. People are becoming more aware of the issues, and it is more of a factor, though perhaps not so much in choosing between travelling on a bus or a train, but people are now making lifestyle choices and deciding to use the bus because they are concerned about their carbon footprint. We would focus the efforts on making sure that our product is positioned in the right way, so that, when we are proclaiming our environmental credentials, it is correct to do so, and that the marketing focuses on young people.

[73] **Darren Millar:** It does not surprise me to learn that speed is an important factor when people are deciding to travel by rail or bus. The travel time from north to south Wales is appalling, frankly. It takes me around four hours to get from my constituency to Cardiff, and it takes me a lot less time to travel a further distance to London. The journey is not as comfortable as it could be either. What work are you doing with the Welsh Assembly Government to try to improve that, to make it more attractive and to lure people onto train carriages, for example, George, so that I do not sit behind the wheel travelling for around four hours and feeling stressed out around the Brecon Beacons?

[74] **Mick Bates:** How can you be stressed around the Brecon Beacons?

[75] **Darren Millar:** It is all the hairpin bends. [*Laughter.*]

[76] **Alun Davies:** You are driving too quickly.

[77] **Mick Bates:** Slow down and save time. [*Laughter.*]

[78] **Mr Muir:** Rail use is growing, but some long routes are quite difficult to speed up, and there are all sorts of practical reasons why they are not as fast as they should be. I am always rather embarrassed when people point out that certain journeys take just as long now as they did 80 years ago. We have a lot more stops and there are other reasons, but they are still not as fast as they should be. Train operators are doing some detailed work, certainly in Wales, to encourage cycling. Car parking is quite an issue, and so, by installing cycling racks, that makes it easier for people to get to the train station. Of course, we are not suggesting that cars should go away, but research indicates that good car parking facilities, curiously, cause car use to decline, because people then use the train instead of taking the car for the whole journey. Bus interchanges are important, as are integrated tickets. The Taith/Rover ticket, which lets you travel all day for £6, is a great success. I have mentioned investment in stations, and good information is important, as is Traveline Cymru. From ATOC's point of view, on the national rail website, we have trialled bus maps for every station in Britain. So, from January or February, you can type in the name of any station in Wales and get a bus map. I come from Scotland, so I typed in the name of my favourite station in Scotland, Achnasheen, and there was a bus map for it. It is a practical contribution to make it easier for people to use buses to get to train stations. We are also working on station travel plans. So, we are trying to do a lot of practical things and working on details.

10.20 a.m.

[79] **Darren Millar:** We heard a great deal of evidence from Sustrans a few weeks ago, which gave us food for thought, about investment into encouraging individuals to take their journeys on public transport through personal advisers. It seemed to be a cost-effective way of discouraging people from using their car, particularly for short journeys. Could that be beneficial to your industry? Would it be more cost-effective than encouraging bus operators to upgrade their engines, for example, David?

[80] **Mr Brown:** Travel plans, which are at the heart of that, already exist. I think that the

Welsh Assembly Government sponsors travel plan co-ordinators through the consortia, and local authorities also employ them. We run programmes such as Cardiff To Go, which tries to engage with employers, particularly the larger ones, to support individual travel plans. Traveline Cymru was mentioned, and it has a system whereby you can put in the postcodes for where you live and work, and it produces your own personal travel plan with options by rail, cycling or walking.

[81] **Darren Millar:** But people are not using these plans. The evidence from Sustrans was that, in Peterborough, for example, they did door-to-door visits asking people whether they would be prepared to take a quarter of an hour of their time to receive some advice. We are not talking about individuals picking up the phone or logging on to the internet. In my constituency, there is not a great deal of internet use; in fact, some parts of my constituency cannot get broadband, but that is another matter. Despite what you hear about these silver surfers, older people simply do not use the internet as much as other people do. I am talking about individual advice, whether people want it or not, being offered to them in a personal way.

[82] **Mr Brown:** Individual advice is offered a great deal in Wales; it is wrong to suggest—

[83] **Darren Millar:** It is not. No-one in my constituency has told me that someone has been to their door to give them individual advice. What I am saying is that it is not proactive.

[84] **Mr Brown:** I understand that, but I would not want there to be a misunderstanding that it is not happening, because it is happening a great deal. South-east Wales and south-west Wales are the big employer areas, and most big employers have been visited and all of their staff have been offered this facility. It is certainly the case that there is that process of engagement at a bus operator level and the transport co-ordinator level. In talking about carbon emissions, the question is where one focuses attention. The low-hanging fruit are the big employers who employ hundreds of people, and where, for a relatively small sum of money, you can produce a big outcome. Going from door to door also has an effect, but the cost per hit is much more than the cost of going in at the big employer level. I am not trying to say that it is wrong; it is just a question of focus.

[85] **Mick Bates:** There is obviously a disagreement about the effectiveness of this. If you have evidence that large companies or local authorities have provided individual travel plans—which I know has happened—it would be useful if you could provide us with the information, which we will then circulate.

[86] **Darren Millar:** We heard an interesting statement from Sustrans that, for the cost of 1 mile of motorway, it could provide this service across Wales, which was pretty impressive.

[87] **Mr Brown:** There is an issue here with communication, which is at the root of most problems. There is a difference between what is actually happening and people's perceptions of what is happening. There is not always joined-up talking and thinking, so I am happy to provide the information on what is currently happening.

[88] **Andrew R.T. Davies:** Last week, when we heard evidence, I raised marketing as an issue, and the ability of Transport for London to market the alternative modes of transport to the population of London within a dedicated budget. Obviously, you have a marketing budget for your services, but do you have much interaction with the public sector on financial support to market your services, given that the cities and towns are run by local authorities? Do you get any help at all with that?

[89] Secondly, on trying to get people out of their cars and onto more sustainable modes

of transport, you are up against car companies' and garages' multibillion pound marketing budgets for campaigns based specifically on the aspiration of owning your own car and having your own space. Do you see a time coming when people will become so aware of the environmental consequences of driving cars that you almost need health warnings on those advertisements? *[Laughter.]*

[90] **Mr Brown:** There is not a great deal of marketing support, but it is not the case that it is not there; it is not direct. With regard to the companies themselves, things have changed in the past two or three years. In the 1990s, the bus industry was in decline. Typically, we were seeing a reduction in passenger numbers of 1 per cent a year, so 10 per cent across the decade. That is a very difficult environment in which to be reinventing oneself. More recently, we have seen passenger growth, and, in some areas, it has been very significant growth. Once the money starts to come in, you have money to spend and the incentive to go for things. So, it is changing, as is the bus industry itself. It is now very much aware of what is required.

[91] One of the things we talk about is the new aspirational shopping. If you go into the city centre, the cheap and cheerful shops are no longer there. Even the cheapest clothes shops are reinventing themselves with an element of style. We talk about the Starbucks culture; that is what people aspire to. We are trying to create a product, in terms of the bus, that meets that type of aspiration. So, we are very aware of the marketing side. Most of it is done commercially. There is support, although some of the support could be better. Perhaps George can comment on this. We operate the PlusBus facility—we talked about integrated transport being a key issue—which most of the operators in Wales engage in. When people buy a rail ticket they can buy an add-on for the bus so that they can travel on to their final destination by bus. It is only a small cost, but that is not marketed, so people are not aware of it. So that is an area where the Assembly might be able to intervene. Presumably you are aware of this, George?

[92] **Mr Muir:** Indeed. We support PlusBus; it is a joint project with the national bus operators. I think that two-thirds of conurbations at least, representing two-thirds of the population, are now covered by PlusBus schemes, where you can buy a rail ticket and pay an extra, say, £1 or £2 to cover any bus use within a certain area. To be frank, a great deal of work has gone into it and it has been pushed very hard for the past eight years now, but the numbers using it are still quite small. So, you could say that it comes down to marketing, but you must also consider whether it is what people really want or whether they actually find it reasonably easy to buy two separate tickets. It is hard to say, but I am always slightly surprised by how small the numbers are using it.

[93] **Andrew R.T. Davies:** So even though it has been going for nearly 10 years you cannot really pinpoint why it has not taken off? I take it that there is no one obvious reason for that?

[94] **Mr Muir:** No, there is not. People are funny. There is an idea that smart cards are a great thing, because you can buy everything with one card, but is that what people actually want? Curiously, people quite like to segment things. Life is complicated and to some degree, in order to keep life simple, they segment things, so they have their Debenhams card, this card and that card. It is not necessarily the case that people want all their transport on one card. Sometimes, people at the centre have ideas about what they think will be good for people, such as an integrated ticket, but if, after seven or eight years, it is not selling, it might be that it is not what people consider to be so important.

[95] **Mick Bates:** It is an interesting point, which we will debate perhaps outside the issue of carbon reduction.

[96] **Mr Muir:** Sorry. *[Laughter.]*

[97] **Mick Bates:** Leanne, you wished to look at freight.

[98] **Leanne Wood:** Given the lower carbon intensity of carrying freight by rail instead of by road, what are the rail companies doing to encourage more freight by rail? What is being done to reduce the potential conflict between freight and passengers?

[99] **Mr Muir:** We certainly share the railway with freight. It is like in Oklahoma, where the farmers and the cowmen must share the land, but occasionally have little rows. We try to share the land. They can have it at night if we can have it during the day—please. The most important thing that the freight companies want is improved access inland from the big ports. I am not an expert in this at all, but the routes that they are particularly concerned about are the Thames estuary and Southampton to get up into the midlands, and I think that they are concerned about some freight links around Liverpool in order to communicate properly down into the midlands. However, I am not an expert in what the freight industry is concerned about.

10.30 a.m.

[100] **Mr Brown:** Although I am concerned with buses, I do have involvement with these issues through other fora. I can only talk about south Wales—I am afraid that I do not know too much about north Wales in terms of freight. The key issue is line capacity. At the moment, if you increase freight capacity, it will be at the expense of passenger-carrying capacity. The only way in which you could do it would be to increase the lines by having bypass lines. The Severn tunnel junction is one area where that needs to happen and then to the west of Cardiff, so that you have places where the freight trains can pull in to allow the passenger trains to pass, to increase capacity.

[101] As George said, the key issue is to maintain the links into the ports because one thing that will almost certainly happen in the future is that the likes of Cardiff, Barry and Swansea in south Wales will become feeder routes, so that you will start to take freight around the UK and across from Europe. The deep-sea ports at Cardiff, Barry and Swansea have the opportunity to become smaller feeder ports into the UK. If they have a rail head and the line capacity, that will be a major way of getting freight off the roads and onto rail.

[102] Another thing with road-user charging, of course, is to try to get a balance so that freight travels at night or outside the normal peak hours. Perhaps that is not quite so much to do with carbon emissions, but is about managing the road network in a more sustainable way.

[103] **Mick Bates:** Alun Ffred, you have a question about rolling stock.

[104] **Alun Ffred Jones:** Your paper says that there is a clear need to increase rail capacity in Wales to meet the anticipated growth in demand, including the provision of new rolling stock. What additional investment in rolling stock is needed in Wales?

[105] **Mr Muir:** I am afraid that I do not have a lot of details behind the answer to this question. Trains in Wales are now getting very full, particularly around Cardiff and the Valleys. The four-car trains need to be expanded to five-car and six-car trains, some of the platforms need to be lengthened and the entire capacity around the Cardiff and the Valleys area needs to be increased.

[106] **Alun Ffred Jones:** Should that be the responsibility of Government or the individual train operating companies?

[107] **Mr Muir:** In a sense, that is a political question. The train companies will market and

raise as much passenger revenue as they possibly can and there will then come a point beyond which passenger revenue will not justify the investment and then it is a Government decision as to whether it wants to support it. On the whole, it is very difficult as only very profitable train businesses can pay for infrastructure, but the hope is that passenger revenue will go a long way towards paying for extra rolling stock. However, it depends on what the fare level is. If you have a good load factor and the fare level is reasonable, extra rolling stock should be covered by passenger revenue. However, if the load factor is not very good or the fare level is low, it is very difficult for revenue to cover rolling stock.

[108] **Alun Ffred Jones:** But is the secret therefore the infrastructure in terms of the lines themselves—

[109] **Mr Muir:** They normally have to be paid for by Government.

[110] **Alun Ffred Jones:** Is that the secret—that the infrastructure is in place in terms of passing-place loops or dual lines?

[111] **Mr Muir:** Or longer platforms. If the Government can pay for that, the hope is that the train operator can fund rolling stock from passenger revenue. Sometimes it does not work, but it ought to.

[112] **Mick Bates:** Extending platforms is very expensive, but I believe that some new issues are arising that will make that easier. The usual cost of extending platforms and opening new stations—

[113] **Mr Muir:** It is extraordinarily expensive. The alternative is selective door opening. I do not believe that we have yet explored the use of selective door opening sufficiently.

[114] **Andrew R.T. Davies:** It is my understanding that, even if the will were there, acquiring locomotives would be difficult going forward, because the industry cannot deliver new rolling stock, given that all the rolling stock is already acquired, with forward orders from other companies. Therefore, in Wales, we are not even on the starting rung in terms of acquiring new rolling stock to replace the existing stock.

[115] **Mr Muir:** I am not wholly on top of some of the details. However, I know that there is, not a crisis—that is the wrong word—but we cannot find enough 158s for various purposes, particularly for the line that you referred to, Chair.

[116] **Mick Bates:** The Cambrian line.

[117] **Mr Muir:** Yes, the Cambrian line. The Government has approved the famous 1,300 vehicles—

[118] **Andrew R.T. Davies:** But is that only in England?

[119] **Mr Muir:** No, it is in England and Wales—that includes some for Wales.

[120] **Andrew R.T. Davies:** Are you sure?

[121] **Mr Muir:** Now that you have challenged me, I am not so sure. I will come back to you on that.

[122] **Andrew R.T. Davies:** I was told that it was in England only.

[123] **Mr Muir:** In January, the Department for Transport will issue more details about the

1,300 vehicles, and will go and get them. However, it will take some years, because they have to be ordered new.

[124] **Mr Brown:** To follow up on that, on investment in rail—which will have to come from the Assembly in terms of additional carriages or trains; it needs to be supported—if we were having a discussion about transport and transport methods, it would perhaps be a more direct question. The issue here is carbon emissions. If you were to look at the cost of providing the additional rail infrastructure, as against spending that money on alternatives such as cycling strategies, buses, and so on, you are talking about bang for your buck. In terms of carbon emissions, there are many things that are good to do, but it is about which is the most cost effective, and buses may well make a better contribution to carbon emissions in that way.

[125] **Mick Bates:** Thank you, that is a valuable point.

[126] **Darren Millar:** It is a bit of a catch-22 situation for the train operators, is it not? If you do not invest in the rolling stock, it is likely that some passengers will say, 'I am not going on that dirty old train'. Therefore, does there not have to be some speculation here, with the train operators putting their necks on the line, and saying, 'I am going to invest in some new rolling stock anyway, whether the Government will give us support or not, in order to increase passenger journeys.'?

[127] **Mr Muir:** That is broadly what is happening. Across the country, the Government, through the franchising process, underwrote—I do not remember the exact numbers—let us say 3,000 new vehicles, but the train operators actually ordered 4,000, because they thought that they would be put to good use. However, it requires a long franchise, good load factors, and reasonable fare levels.

[128] **Mick Bates:** Finally, we have the winner of the newcomer of the year political award—congratulations, Alun Davies.

[129] **Alun Davies:** Thank you, Chair. I am fascinated by what you said about selective door opening, Mr Muir. We received evidence from Arriva Trains that that was a dangerous road to go down; we might follow that up later.

[130] I find it difficult to focus on carbon reduction this morning. I have listened to what you have said, and I have enjoyed the conversation over the table, but it does not bear much relationship to what I hear from constituents. We are all committed—across party lines, I believe—to increasing public transport, and investing in public transport, and so on, but we have had evidence from Arriva Trains saying that it does not want any more stations. It is difficult—particularly for me and the Chair, who represent areas of mid Wales; we want more stations to enable more people to take the train, and yet the train operators seem to be one of the greatest impediments to that.

[131] You mentioned Powys earlier, Mr Brown. I represent Powys, and one issue that has been brought up with me is that the bus operator there—Veolia—has been cutting routes, which means that many communities are left stranded, and some vulnerable people are even left unable to travel to shops. Therefore, is there a mismatch between the rhetoric that we hear and the reality that our constituents face every day?

10.40 a.m.

[132] **Mr Muir:** I think that I know what you are getting at, and I hope that my answer addresses it. The railway must focus on what it is good at. You would like us to do lots of things, but if we do not focus on what we are good at, then we will end up in trouble later.

What the railway is good at, to be blunt, is large-volume, long-ish distance travel.

[133] **Alun Davies:** I wonder if that is true, because the greatest use of rail in the United Kingdom involves commuter trains into London.

[134] **Mr Muir:** That is large volume.

[135] **Alun Davies:** It is not long distance, though, and one of the issues—

[136] **Mr Muir:** I am sorry—I meant large volume or long-ish distance. We do lots of other things that are attractive, but they are quite expensive, and I think that from your high-level, policy point of view, you must ensure that the various modes of transport do the things that they are best at. It might well be the case that adding more stations to the lines to which you referred is not the best way to improve transport in that area; that is all that I can say. An equivalent for me is the line from Inverness to Kyle of Lochalsh, because that is where I come from. It is a wonderful line, and I would love there to be more stations, but the volumes are low, the economics are lousy, and it is not going to happen.

[137] **Alun Davies:** I used to use the Thurso to Inverness line regularly, and you are right about volume, but in terms of people's ability to travel, and for that part of the world to function, the train is absolutely essential.

[138] **Mr Muir:** That is one of the paradoxes. There is something curious about a railway line that gives a sense of permanence and continuity to a community that a bus does not—though I should be quite clear that I am not getting at buses at all.

[139] **Andrew R.T. Davies:** The interaction is falling apart.

[140] **Mr Muir:** It is certainly true that, if people are at the end of a railway line, they feel that they have a more solid contact with the rest of the country than if they have a bus lane, even though the bus might be faster.

[141] **Mr Brown:** There were some questions specifically about Powys. The Transport (Wales) Act 2006—and indeed competition law—puts an obligation on operators to run at a profit, and the responsibility for what are called socially necessary, or loss-making services, lies with the local authority that contracts or tenders those services. My understanding is that a large element of the bus network in Powys is tendered, because it is not commercially viable in its own right. The policy that Powys County Council has followed has resulted in this slightly strange position, and, in many ways, your question would be better addressed to the council—though I am sure that you have already done that.

[142] **Alun Davies:** I certainly have, and I think that it is strange—it is tragic, as it happens. Could you explain your views on the proposals in the Local Transport Bill relating to the provision of services? You said in your paper that that Assembly Government already has powers to promote and enforce measures that will help with the provision of bus services. How do you believe that the Local Transport Bill will help the Assembly Government promote greater use of bus services?

[143] **Mr Brown:** The key thing is statutory quality bus partnerships, and if I can just explain, this is where—going back to carbon emissions—local authorities are encouraged to invest in things like bus lanes, bus priorities, bus shelters and real-time passenger information, to improve the infrastructure. In return, they ask operators to invest in buses that are no more than x years old, and they can specify levels of carbon emissions as part of that, as well as things like passenger charters, commitments to marketing, and so on. So, quality bus partnerships are aimed at improving both the bus and the track that it runs on, and the

statutory bit says that a bus operator can only use the track if it meets the criteria. It is a direct way of driving through improvements in bus services, and it comes from the Local Transport Bill. The issue that we have is the one of quality contracts, where, effectively, the bus industry is re-regulated.

[144] The issue is not about the way the bus industry is run; it is about how traffic congestion is dealt with. Unless you deal with traffic congestion and the allocation of road space, it does not matter whether it is regulated or otherwise, you will still have the same problems. It is about partnership working and the ability within that—and it is well recognised—to do the things that I mentioned, such as provide bus lanes and bus priorities and so on, and then the operator will respond. The important thing is that, as the operator responds, passenger numbers go up and money comes in and, as the money comes in, you can invest in more services and then the services that are currently provided on a social basis start to become commercial.

[145] **Mick Bates:** Thank you for your responses to Members' questions this morning. We have covered a whole range of issues from the strategic supply of low-carbon energy in the future to the political will at local level. It also included very local issues, and the paper that was referred to about Arriva Trains can be made available to Members. On behalf of the committee, I thank you both for your evidence this morning and I thank Members for their questions.

[146] The next meeting of the Sustainability Committee will be on Thursday, 13 December at 9.30 a.m., when we will scrutinise the Deputy First Minister and Minister for the Economy and Transport on the evidence that we have gained from witnesses over the last two weeks.

Daeth y cyfarfod i ben am 10.46 a.m.
The meeting ended at 10.46 a.m.