

Agenda – Climate Change, Environment, and Infrastructure Committee

Meeting Venue:	For further information contact:
Committee room 4 Tŷ Hywel and video	Marc Wyn Jones
Conference via Zoom	Committee Clerk
Meeting date: 15 May 2025	0300 200 6565
Meeting time: 09.30	SeneddClimate@senedd.wales

Hybrid

At its meeting on 7 May 2025, the Committee agreed a motion under Standing Order 17.42 (vi) and (ix) to exclude the public from the start of today's meeting.

Private pre-meeting (09.15–09.30)

Private meeting (09.30–10.15)

1 The UK Climate Change Committee – Carbon Budget 4 Briefing

(09.30–10.15)

(Pages 1 – 7)

Emma Pinchbeck, Chief Executive – UK Climate Change Committee

Dr Eoin Devane, Head of Carbon Budgets – UK Climate Change Committee

Attached Documents:

Research brief – Carbon Budget 4

Break (10.15–10.20)

Public meeting (10.20–12.30)



2 Introductions, apologies, substitutions, and declarations of interest

(10.20)

3 Stage 1 scrutiny of the Bus Services (Wales) Bill – Evidence session with Bus Operators

(10.20–11.20)

(Pages 8 – 62)

Aaron Hill, Director – Confederation of Passenger Transport Cymru

Scott Pearson, Chair – Coach and Bus Association Cymru

Attached Documents:

Research brief – Bus Services (Wales) Bill

Paper – Confederation of Passenger Transport Cymru

Paper – Coach and Bus Association Cymru

Break (11.20–11.30)

4 Stage 1 scrutiny of the Bus Services (Wales) Bill – Evidence session with Community Transport Association and transport operators

(11.30–12.30)

(Pages 63 – 84)

Gemma Lelliott, Director for Wales – Community Transport Association Cymru

Caroline Wilson, General Manager – Green Dragon Community Transport

Richard Davies MBE – Voluntary Emergency Services Transport (VEST)

Beverley Mather, Manager – Denbighshire Dial-a-Ride

Attached Documents:

Paper – Community Transport Association Cymru

Paper – Green Dragon Community Transport

Paper – Denbighshire Dial-a-Ride

5 Papers to note (12.30)

5.1 Inter-Institutional Relations Agreement

(Pages 85 – 86)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Chair in relation to the Phytosanitary Conditions (Amendment) Regulations 2025

5.2 Welsh Government Draft Budget 2026–27

(Pages 87 – 89)

Attached Documents:

Letter from the Chair of the Finance Committee to all Committee Chairs in relation to the Welsh Government Draft Budget 2026–27: Engagement

6 Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from items 7 and 9 of this meeting (12.30)

Private meeting (12.30–12.50)

7 Consideration of evidence received under items 1, 3 and 4

Lunch break (12.50–13.50)

Public meeting (14.00–15.15)

8 Stage 1 scrutiny of the Bus Services (Wales) Bill – Evidence session with the Welsh Local Government Association and Local

Authorities

(14.00–15.15)

(Pages 90 – 97)

Cllr David Bithell, Welsh Local Government Association Transport

Spokesperson and Vice Chair of Wrexham County Borough Council Executive Board – Welsh Local Government Association

Richard Cope, Chair of ATCO Cymru and Team Manager Passenger Transport Unit – Newport City Council

Katie Wilby, Chief Officer, Streetscene and Transportation – Flintshire County Council

John Forsey, Head of Highways, Transport and Recycling – Powys County Council

Attached Documents:

Paper – Welsh Local Government Association

Private meeting (15.15–15.30)

9 Consideration of evidence received under item 8

Document is Restricted

Document is Restricted

BSWB 10 - Evidence from: Confederation of Passenger Transport Cymru

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Gwasanaethau Bysiau (Cymru) | Bus Services (Wales) Bill

1. What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

Buses are an essential part of the social and economic fabric of Wales. As the most popular and accessible form of public transport in Wales, they support more than 200,000 people a day to make journeys to work, education, shopping, and to see family and friends. For the one in five people in Wales who do not have access to a car, they are a lifeline.

Each year, local bus services in Wales generate huge benefits to the economy of Wales, including:

- £305m of direct economic benefits, supporting more than 3,500 jobs in the Welsh economy;
- £400m of benefits to society through increased connectivity, reduced congestion and improvements to health, wellbeing and the environment; and
- £705m of spending in the local economies of the places that buses travel to.

However, buses can do much more. Every additional £1 of investment in buses can generate a further £4.50 of economic benefits across Wales.

We welcome the priority the Welsh Government is giving to improving bus services across Wales, and the objective of this Bill to provide “reliable, affordable, and easy-to-use services” is one that is shared by bus operators. However, we believe the Bill will fall well short of delivering the outcomes that have been promised. The long-term decline of bus patronage in Wales has many contributing factors, and government control of the network will not guarantee success.

The recent Your Bus Journey survey carried out by Transport Focus, shows that customer satisfaction with bus services in Wales is 84%. This compares favourably with England overall (83%), and even more favourably with Greater Manchester (79%) which has been operating as a franchised network since 2023.

If we are to genuinely transform bus services for the 21st Century in Wales – driving modal shift from cars to public transport – we will need a co-ordinated package of policies that increase the attractiveness, affordability and accessibility of the bus network.

The most significant barrier to increasing passenger numbers is tackling congestion – customers regularly rate reliability and punctuality as the key factor in whether they catch the bus or not – and bus journey times have increased by more than 50% on the busiest urban routes over the last 50 years.

Research has shown that if bus passengers had been protected from increased congestion, there would be between 48% and 72% more fare-paying bus passengers today.

Tackling congestion requires bold policies to give buses greater priority on our roads, and greater policy alignment with land use planning to ensure places are developed to prioritise public transport from the outset.

In addition to the concerns around congestion, bus operators have raised significant concerns over the affordability and deliverability of the desired outcomes of this Bill.

Both other franchised bus networks across the UK – in London and Greater Manchester – have significant gaps between the costs of running services and the revenue raised by fares.

In London, the gap was more than £700m in 2019, and recent figures have revealed that the Bee Network in Greater Manchester is costing £226m more than the revenue raised through fares each year.

Our ambitions for a better bus network in Wales should not be constrained by the ebb and flow of difficult annual financial settlements from Westminster, but those figures raise serious questions about the affordability of these proposals within the constraints of Welsh Government's budget.

The inflexibility of the Bill will mean that if costs increase or revenue drops in a franchised network, Welsh Government will face the same conundrum that faces operators now: to increase fares, to reduce service provision, or to request further subsidy to ensure the network is sustainable.

In short, the Bill will not change the economics of running bus services in Wales, and risks a gap between the expectations Ministers are raising in relation to improved services, and the reality of what will be delivered.

2. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

▪ Part 1 - Key concepts and general objectives (sections 1 to 4)

Our main comments in this section relate to the Objectives section of Part 1 of the Bill.

Each of the five objectives that it is proposed Ministers should consider are broadly welcome. However, the Bill does not necessarily follow in creating the conditions for Ministers to successfully deliver on those objectives and creates some significant tensions for Ministers in balancing each of these objectives against a wider set of Government priorities.

The duty for Ministers to promote the use of local bus services will require a renewed focus on promoting bus as a positive first choice for many journeys, not simply as an alternative. This will require a step change in investment and the prioritisation of buses in Welsh Government budgets.

The 2025/26 Welsh Government budget is the first in nearly 15 years that has seen an increase in the regular revenue funding for buses in Wales. Currently, for every £2 invested by Welsh Government, rail receives £5 of investment, despite carrying roughly one third of the passengers. If Ministers are to truly promote local bus services as a part of a wider, more integrated sustainable transport system, this imbalance will need careful consideration.

Additionally, Ministers will have work across a range of portfolios to ensure that the impact of other government priorities don't reduce their ability to effectively promote buses, and to achieve the third objective - to continuously improve the reliability, safety, affordability and accessibility of local bus services.

We believe the Bill does little to address the significant barriers that exist to achieving the third objective, and the impact and costs of congestion will be an enormous blocker to the success of this objective.

The costs of congestion to the industry and to government are enormous, with every 10% decrease in operating speeds leading to an 8% increase in operating costs. Any increases in cost to the current network would ultimately be passed on to taxpayers in a franchised network, or lead to decisions to increase fares or reduce services.

To address this challenge, we believe the Bill would be improved by the creation of a duty on Ministers to create a national target for bus speeds, and to act – most likely through infrastructure investment and bus priority schemes – to improve them.

This would hold Welsh Ministers accountable for the wide range of decisions they make that affect the efficiency of the bus network, including in areas such as the planning and development of new homes, and the allocation of capital to transport infrastructure.

In addition to this, we believe the Bill would be improved by an additional objective for Ministers to consider the diversity of the market in the delivery of bus services in Wales.

Currently, Wales has around 90 bus operators ranging from small, family run businesses to multi-national public transport operators. For many of these businesses, there are concerns that franchising will lead to a significant loss of income and threaten the viability and longevity of their business.

The creation of the Bee Network in Manchester involved virtually no small and medium operators, and similar sized operators in Wales are extremely uncertain about their future delivering bus services in a franchised environment. Similarly, while later provisions in the Bill allow for the creation of new municipal bus companies, existing municipal operators face great uncertainty over their role.

While Ministers have consistently pledged to avoid the pitfalls seen elsewhere, the Bill does not provide sufficient confidence to the industry that appropriate measures are in place. An objective at this stage of the Bill would allow for greater transparency and accountability on this issue.

3. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 2 - Functions of the Welsh Ministers relating to local bus services (sections 5 to 20)**

Part 2 of the Bill clearly establishes the process for delivering a franchised bus network in Wales, in line with the stated policy intention. However, the process being legislated for creates several risks to the overall delivery of a successful bus network in Wales.

While it is welcome that the Bill creates duties to consult with local authorities, operators and stakeholders, we believe this duty could be strengthened.

Firstly, bus operators and local authorities should be consulted before the development of the bus network plan to ensure local knowledge and understanding of the network is applied at the earliest point in the process. Additionally, this would give operators greater insight and certainty into what is a significant change to their operating environment.

To date, the experience of operators in being consulted by Transport for Wales and the CJs on the development of franchising has been mixed, and many operators are extremely frustrated at the limited clarity and information that is emerging at both a national and regional level. Legislating for early consultation and engagement would provide reassurance and ensure accountability.

Similarly, the voice of passengers will be restricted by the reliance on representative groups to provide insight. While both Bus Users UK and Transport Focus both fulfil an important role in the Welsh bus ecosystem, the voice of passengers has been historically underfunded by Welsh Government. This was no more evident than in the recent decision by Welsh Government and Transport for Wales not to fund the continuation of the Your Bus Journey survey after just one year of running the survey in Wales. In England and Scotland, Transport Focus fulfil a statutory role in collecting data on the views and experiences of passengers and the committee may wish to consider whether a similar duty would be appropriate in Wales.

In addition to concerns about representation, we are concerned that the significant risks around affordability and deliverability will manifest due to

weaknesses in Part 2 of the Bill.

Given the widely held concerns across industry, passengers and local government over the affordability of the proposed approach to franchising, it would be sensible to include a Value for Money assessment as part of the development of the Welsh Bus Network plan. This would allow Ministers, TfW and CJsCs to gain greater insight into the level of financial risk associated with the move to franchising, and to make decisions accordingly.

We believe it would be short-sighted for Welsh Government to only consider one form of franchised bus contract.

Franchising arrangements are generally run in one of two ways: a gross cost or a net cost/minimum subsidy model.

Under both models, the Ministers would specify a network of services, set fares, decide on branding, and determine vehicle types.

Under gross cost contracts – the type proposed by Welsh Government – operators receive a set fee for delivering the service, regardless of how many passengers are on the bus.

Under a net cost model, operators would have an opportunity to use their local knowledge and commercial expertise to propose changes to the network or offer special tickets to attract more passengers, or to reduce costs through innovation and efficiency, reducing the cost to the public purse.

Following an appropriate Value for Money test, authorities could then take informed decisions on which of these models is appropriate.

In Jersey, following several years running an unsuccessful gross cost franchise, the authority moved to a net cost model, and saw a c.40% increase in patronage and c.20% increase in customer satisfaction. We believe Welsh authorities should be given flexibility to assess which model is most appropriate, and affordable, for their area.

In addition, Part 2 of the Bill should include a clear instruction for Ministers to apply a test on the ability of operators to mobilise services in line with the network plan.

4. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 3 - Restriction on providing local bus services (sections 21 to 24)**

Part 3 of the Bill will see the end of all commercial bus services in Wales. While this is clearly in line with the policy intentions of the Bill, we believe the legislation should seek to create some flexibility in case of a significant change in circumstances in the future.

Given the risks around affordability and deliverability, and the restrictive nature of public finances, Ministers may wish to consider a set of circumstances in which the flexibility of commercial bus services may be useful in the future.

The previous Bus Services (Wales) Bill, which fell in 2020 due to the COVID-19 pandemic, contained provisions for Welsh Partnership Schemes, which would have granted Ministers far greater influence over services than under the commercial model but with a more equal share of financial risk.

The industry recognises the well-established view of Ministers to franchise the entirety of the bus network in Wales, it may be prudent to create provisions that protect against any future failure to do so.

5. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 4 - Information and data (sections 25 to 31)**

We welcome the Bill's focus on the provision of timely, clear and high-quality data for passengers. Bus operators work tirelessly to provide this under the current system, and while there will undoubtedly be some benefits from greater co-ordination and ownership of this data, the Bill alone will not remedy all the challenges relating to data and information.

The provisions relating to the sharing of data by bus operators will require great care, as much of this data is highly confidential commercial data. The legislation

will need to be supported by robust non-disclosure agreements that respect operators' confidentiality, and offer protections against Freedom of Information requests.

In terms of data that is provided to the public, both local authorities and Transport for Wales have an important role in ensuring the infrastructure in place to deliver this successfully.

In our responses to the recent Regional Transport Plan consultations, CPT Cymru highlighted the need for a comprehensive programme of bus stop and station enhancement, with a commitment to survey, design and implement changes to this vital infrastructure. This should include consideration of how information is provided in these places.

While the financial commitment to this will be significant, Ministers could consider alongside the Bill how they use s.106 and Community Infrastructure Levy revenue to fund the provision of bus service information and infrastructure improvements in areas of high priority.

To ensure that any improvements delivered by the Bill in this space are effective, Ministers will have to consider the high proportion of older people who catch buses in Wales, ensure information is available flexibly and not through digital provisions alone.

6. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 5 – Local authority powers and duties (sections 32 to 34)**

Local authorities play a vital role in the co-ordination, development and delivery of the current bus network, providing local knowledge and expertise, and ensuring local accountability over decisions that are made on the bus network.

Under a franchised system, there is a risk that this role is diminished and the expertise and knowledge of experienced local authority staff is lost in the new system.

We believe that the Bill would be strengthened by reiterating this important role throughout to ensure that this risk isn't realised.

However, Part 5 creates some distinct risks in relation to municipal bus

companies.

As it stands, the existing local authority bus operators have virtually no clarity over the role they will play in a franchised network, and the legislation has missed an opportunity to clarify this. While Ministers have continually asserted that these companies will play an important role in delivering the network, without legislative certainty and/or clear actions from Ministers, the business face significant strategic uncertainty.

The Bus Services (No. 2) Bill, currently making its way through the UK Parliament is facing significant scrutiny over the creation of new Local Authority Bus Companies (LABCOs) and the protections given to existing municipals. Welsh Ministers should monitor this carefully, and ensure that in Wales:

- Where protection is given to existing municipal bus companies, there should be transparency over the mechanism used and the implications for the wider network;
- Clear guidance should be put in place over the use of the “Teckal” provision in procurement law to clarify how this can be used to protect existing municipal bus companies;
- Protections should be put in place to prevent the creation of new municipals in unfair ways, i.e. the purchase of a small bus company which is then rebranded as municipal and awarded a significant franchise contract way beyond its existing capacity

7. What are your views on the Bill’s provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

▪ Part 6 - Miscellaneous and general (sections 35 to 44)

We welcome the clarity in part 6 over the use of TUPE arrangements, which will offer clear protection to employees and employers. Ministers will need to work closely with bus operators in the event that they are required to ensure everybody has certainty over timescales and transfer arrangements.

We have no further comments on the miscellaneous and general provisions in the Bill.

8. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

Throughout our response, we have outlined a number of barriers to implementation. In summary, we believe there are significant concerns from industry around:

- The affordability and deliverability of a franchised bus network due to the financial and capacity constraints on Welsh Government, and the cost of franchising in other areas of the UK
- The inflexibility of the Bill and the wider policy framework being applied by Welsh Government to opt for gross cost franchising, which we believe presents the biggest risk to the public purse and passengers
- The absence of policies within the Bill, and Welsh Government's wider policy framework, to effectively address congestion and ensure the efficient transit of buses through traffic – leading to higher operational costs and a less attractive network to passengers
- The risk of a significant gap in the expectations Ministers are raising from the reforms delivered by the Bill and the services improvements that are possible as a result
- The lack of policy alignment and integration with other areas of Government business, particularly relating to the planning of new commercial and residential developments, and their suitability to public transport
- A significant risk to the longevity of some businesses currently delivering bus services, risking job losses and slower economic growth
- The loss of key personnel from bus operators and local authorities due to the challenging environment and lack of certainty caused by poorly executed reform

We do not believe that the Bill effectively takes account of these risks currently, and have suggested a number of areas in which it could be improved. We will continue to work constructively with Ministers and the Senedd to improve the Bill's outcomes and manage these risks.

9. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)

We believe these powers are appropriate and aligned with the purpose of the Bill. However, given the level of detail that will become apparent through secondary legislation, we would urge Ministers to ensure thorough and genuine consultation with operators and other stakeholders as subordinate legislation is developed.

10. Are any unintended consequences likely to arise from the Bill?

If the risks we have identified in Q.8 manifest as we have suggested, the most significant unintended consequence of the Bill would be the undermining of the bus network through poor delivery, financial constraints and the loss of key expertise. We will continue to work constructively with Ministers and the Senedd to mitigate risks and avoid unintended consequences to the best of our ability.

11. What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

The industry has raised significant concerns about the assessment of the financial implications of the Bill in the Explanatory Memorandum.

As we have highlighted throughout our response, there are widely held concerns about the affordability and deliverability of the Bill, noting the significant gap between costs and revenue in other franchised bus networks. The Explanatory Memorandum does not acknowledge this, and assumes that farebox revenue will cover costs and support cross-subsidy between commercial services and those that aren't currently commercial, with no recognition of the low proportion of existing bus services in Wales that are commercial.

In addition to this, the narrative around the benefits of the legislation relies heavily on journey time savings and public behaviour changes without any increase in the mileage delivered on the current network to attract new passengers. This is inconsistent with the narrative of more regular, more efficient buses from Ministers in relation to this Bill, and highlights the huge risk around expectations management that we have noted elsewhere.

In the comparison of the three options (p.72 – 102), the Explanatory Memorandum makes a number of assumptions about bus reform that cannot be credibly demonstrated, including:

- That improvements to travel times, accessibility and passenger safety and security can only be delivered through bus reform
- That infrastructure improvements, both to fleet and depots, and through investment in bus priority, can only be delivered through bus reform; and
- That the transition to zero emissions vehicles under bus reform would not face the same barriers e.g, cost, grid capacity, connection issues, as under other scenarios

Taking these three examples alone, these are all areas that could be improved under the current system, and under alternative scenarios such as Statutory Partnerships. Many of the areas identified above are within the gift of Ministers and local authorities now and could be improved without legislation, delivering significant benefits to passengers and improving the attractiveness of the network.

While the Bill will grant greater control to the regulation and co-ordination of the network, it is an incorrect assumption that the legislation itself will bring improvements to those areas.

In addition to this, a number of operators have highlighted that the operational cost assumptions (e.g. driver wages) are underestimated and not reflective of the current economic reality. For example, the estimated driver pay rates are below what many operators are already paying drivers, and the additional £3m+ cost of additional annual National Insurance Contributions haven't been factored in. We believe these two issues alone could see a c.£200m increase in costs over 30 years.

Overall, we are concerned that the assessment of the financial implications are overly optimistic and based on weak assumptions and unrealistic forecasts, only serving to highlight the risk over the affordability and deliverability of the proposed reforms.

12. Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

We have received a number of queries and detailed points from operators raised in relation to specific clauses in the Bill from industry, noted below:

Section 2 does not take account of Hail & Ride services which are a fixed route. This should be amended to reflect that.

Section 5 (1) sets no grounds upon which Ministers will define social necessity within the network. This should be provided for through either an amendment to this legislation, or regulation making powers.

Section 8 (1) (a) needs to define what it considers to be “minor” changes.

Section 8 (3) is inconsistent with the provisions elsewhere in this part of the Bill, as the only element that doesn’t require the views of CJsCs. This should be clarified.

Section 13 (5) and Section 15 (4) create significant potential challenges for operators by allowing any permit to be cancelled “on the date on which notice is given”. This is unreasonable for operators, employees and passengers, and could be addressed through insertion of a notice clause.

Section 16 does not allow for further recourse after the decision of the First Tier Tribunal. We believe this should be amended to reflect Section 24 which allows for appeal to an Upper Tribunal.

Section 17 needs significant safeguards and much greater clarity on what would satisfy Ministers that direct operation would be a more effective way of delivering. This creates a significant risk that Ministers can award contracts to an Operation Company of their own creation without fair competition.

Section 19 (5) could create some confusion around cross-border services into England. Further clarity is needed on the definition between tendered services and commercial services here.

Section 20 (3) could be strengthened by requiring an annual reporting cycle to improve accountability and transparency.

Section 20 (4) would benefit from an explanation of the purpose.

The drafting of Sections 21 (1) and (2) appears to be inconsistent with Section 18, Clarity is needed on the penalties in Section 23, who they apply to (i.e. is all PSV O licenses held in Wales or the UK?) and what the total penalty available to the Traffic Commissioner is.

Section 25 (4) (l) should be directed at local authorities rather than operators, as it is ultimately local authorities who are responsible for, and hold information on, the amenities referenced.

Similarly, Section 25 (4) (n) and Section 28 (3) (j) should be a requirement on Welsh Ministers as the franchised network will represent a new regulatory regime and previous forecasts by operators will likely be redundant.

Section 28 (3) (g) is likely to be an onerous undertaking for operators, and will add to the costs of administering and operating contracted services.

Section 36 (2) (b) (1J) could artificially split cross-boundary journeys at the English border in terms of registrations, which would cause significant challenges in the provision of data and timetabling arrangements for the public. Clarity is required over the intent of this clause and how Welsh Ministers will seek to address the inconsistencies in public information that may occur.



About CaBAC

The Coach and Bus Association Cymru (CaBAC) is a not-for-profit organisation specifically set up, and by Welsh bus and coach operators, for Welsh SME, Independent and Municipal Coach and Bus operators. Its purpose is to offer our sector representation, advice and support. Providing a link between SME independent and municipal Coach and Bus operators and all Government local and national, industry stakeholders or institutions on all matters relating to road passenger transport, ensuring the SME market in Wales is fully recognised for their significant value serving local communities in Wales. While simultaneously promoting the study and exchange of knowledge in all aspects of road passenger transport operations with a view to improving the quality and status of Coach and Bus services in Wales.

Introduction

The Coach and Bus Association Cymru welcomes the opportunity to respond to the Welsh Governments Bus Services (Wales) Bill via the invitation to provide written and oral evidence to the Climate Change, Environment and Infrastructure Committee.

CaBAC represents the many SME bus and coach operators across Wales who serve their customers providing vital bus services for home to school, leisure, commuting to work and reducing community isolation, giving essential local employment, expertise and support in both rural and urban settings.

Bus Services (Wales) Bill and the Regulatory Impact Assessment

It is important to state that CaBAC believes the Transport Act of 1985 and the subsequent Regulations 1986 being forty years old needs review and structural change, this being a once in a lifetime opportunity to ensure longevity for the industry thus providing certainty to the travelling public of Wales now and into the future. While we recognise that this bill is intended as high-level primary legislation it is considered that several important opportunities have been missed in the Bill and we have some serious concerns stemming from the RIA.

RIA costs

These appear to be underestimated with some very important factors being missed which will have a significant impact on the outturn of the RIA costings.

National Insurance increase

This commenced on April 1st 2025, but was well documented for months prior to the RIA being completed so one is unsure as to why this significant increase would not be included or at the very least referenced.

Home to School Transport

This element of bus public transport is vital to the viability of local services and provides transport to the children of Wales, therefore, to not be included with solutions in the Bill or the RIA appears to be a serious omission. If for instance while franchising is being rolled out the home to school provisions are not included in such plans (which is how it stands today) and the local bus provider who is not guaranteed to win any franchise tenders potentially finds their business collapse then home to school provision supplied by that operator will also collapse, leaving communities without any home to school provision. As many of our members provide local bus services and home to school transport this is an outcome with significant consequences.

Patronage Increase Measures

It is stated in the RIA the many measures that will be implemented which appear to be relied upon to provide massive patronage increase which is used to justify franchising and offset the costs of implementation. However, many if not all the measures cited are currently being provided by bus operators across Wales now, so one is at somewhat of a loss as to how these existing measures played out in the RIA as new will provide the increase in patronage and therefore revenue claimed.

Congestion

The travelling public who uses or who have considered using bus as their travel option simply look for a safe and efficient mode of travel from A to B, with minimal journey time however, the main detriment to this is congestion which again is growing lengthening bus journey times and in Urban settings being a major detriment to bus travel. In the rural starting point of a service minimal congestion but as the services nears the main employment centres of Wales congestion builds, so both rural and urban are affected. No where in this Bill or the RIA is congestion solutions mentioned.

There is a once in a lifetime opportunity to do something better with bus public transport, but the major component of patronage stagnation congestion is not being tackled. One wonders would the time between now and franchising potentially implemented not be better spent laying the foundations of better bus infrastructure and tackle the major barrier to patronage increase which is congestion, and therefore have franchising as a success and not simply take over the status quo with all costs being borne by Welsh Government and no real plan to increase the revenue the RIA relies upon to justify the outrun costs to government.

Protection for SME bus operators

It has long been stated and welcomed that the true value of SME bus operators across Wales is recognised by Welsh Government with the word protection during franchising being used, however the Bill and the RIA misses the opportunity to explain in the way this will be achieved, leaving our members fearful of wholesale business confiscation. It has been mentioned that Wales has looked to Transport for Greater Manchester (TfGM) for solutions and ideas to franchising, and yes, the SME market in the TFGM were given similar assurances, but the outcome was far more concerning as no SME bus operator achieved any franchised tenders from TfGM.

Many of our members are small family run normally born and breed in the area which they operate and simply provide bus services to their local communities with as minimum overhead as possible in order to simply survive, they don't have lawyers on speed dial, layers of staff to deal with massive complex franchise documents, and will just struggle to comply to what is in effect a complicated process, but nothing in the RIA recognises this element or cost to our members.

Fleet

The RIA states the plan in which the bus fleet would be replaced and rightly recognises the importance of the environmental benefit of changing the diesel fleet to battery electric buses, but the costs of doing so has been underestimated. The RIA lets the reader believe that electric has parity with diesel in terms of whole life costs of fleet, this is simply not true five years ago, nor today and will not be any time soon. The expectation is that the capital purchase of battery electric buses will reduce over time, but evidence over the past five years has shown the complete opposite to be true, then what happens if the UK increases demand and supply chain can't cope prices will rise. There is simply not enough capital exposure for initial bus purchase nor battery replacement costs being considered into this franchising metrics. CaBAC supports the move to zero emission at the tail pipe bus fleet and some of our members already run battery electric fleet, but it is essential that the proper capital and revenue costs are reported in line with current experience on the ground in Wales.

Municipals

The Bill allows for more of these types of organisations to be developed in local authorities wish to do so, but there is nothing in the Bill or the RIA that gives confidence to the two municipal bus operators in Wales of business survival when the franchised procurement process commences, these entities have massively invested in battery electric fleet and depot electric infrastructure while growing the bus networks with significant increase in patronage. One of which has recently come out top in Wales for customer service, but all that hard work and investment (mainly from DfT and WG) is at risk if these two organisations do not survive. Ironically back in post Transport Act of 1985 many municipals were sold off to larger corporate bus companies, with only a hand full surviving, two of which are in Wales and now after surviving many attempts by larger companies buying them now are faced with the very real prospect that WG policy will aid those exact larger companies to pick them off some forty years later but this time for nothing.

Operating Costs and Revenue

The RIA makes the reader believe that more can be achieved with the same amount of funding provided by Welsh Government currently siting the use of on bus revenue, however if you look closely at the actual provision to the current bus funding model you have various sources BNG currently £39 million per annum and BSSG £27million this equates to £66million of funding from WG to bus operators. Yes, they also receive revenue foregone payments for the WG Concessionary Fare Scheme of £51million and yes provide tenders for home to school transport, (although a significant proportion of this is paid out for SEN travel, the latter two concessionary and school transport is in fact paying for a service and is a vital source of revenue for bus operators to maintain the current network. By simply franchising all these current revenue streams pass across to Gov but maintains the current network that is often sited as poor by those who do not understand it, so where is all the additional revenue going to come from to do more with the same amount of funding, congestion will stagnate your revenue potential as it currently does, the population of Wales is 3.13 million across a vast area, with nothing new suggested in the RIA to grow patronage and therefore revenue, the idea has been suggested of cross subsidy of services to support less profit making services but where is the population to achieve this. The constantly sited comparison model is TfGM with a population of 2.83million in a very urban environment, different demographic completely. Therefore, we seek that the financial calculations in the RIA are urgently reviewed to give a true and proper cost of franchising so that Senedd Members can accurately and confidently make decisions about the bus industry in Wales.

One simply needs to look at what the Traws Cymru network of services (15 services) currently costs Welsh Government then extrapolate that figure across the many hundreds of bus services across Wales, these figures stated in the Ria do not come close to the actual cost of bus operation which will be borne by WG post franchising.

Operational Detail

While we fully understand that these documents are designed to be high level there is so much operational detail missing from the RIA which in effect will significantly impact the cost of operation across Wales, that surely this detail needs to be worked up and costed before any proper decision can be made to the viability of bus franchising in Wales.

Concluding

In concluding CaBAC is not against change nor do we agree the 1985 Transport Act is fit for purpose in 2025, but we all must be presented with accurate costs in the RIA with realistic outcomes for the Senedd to carefully with dispense of their duties in scrutinising this Bill and RIA.

The Coach and Bus Association Cymru thanks the Climate Change, Environment and Infrastructure Committee for giving this opportunity to present our thoughts to you and for you taking the time to read and consider.

Scott Pearson FCILT
Chair
Coach and Bus Association Cymru (CaBAC)

Agenda Item 4

BSWB 08 - Evidence from: Community Transport Association

Senedd Cymru | Welsh Parliament

[Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith](#) | [Climate Change, Environment, and Infrastructure Committee](#)

[Bil Gwasanaethau Bysiau \(Cymru\)](#) | [Bus Services \(Wales\) Bill](#)

1. What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

The Community Transport Association (CTA) are very supportive of the Welsh Government's aspiration to create a bus network that offers safe, integrated, sustainable, efficient and economic transport in Wales. The current legislative environment has led to a fragmented, expensive, and inaccessible network that leaves many people unable to connect with the people and the places they love, and holds us back as a country from being the best place to grow up, live, and grow old. We welcome the Welsh Government's commitment to a network that puts people before profit, and we appreciate the explicit commitment to creating an approach which 'will enable Ministers to secure bus services that will be accessible, available and affordable to more members of society, regardless of their background or socio-economic status.'

Throughout the process of developing the draft Bill, CTA Cymru and its members have been broadly supportive of both the need for new legislation and the approach taken by the Welsh Government around recognising the importance of the breadth of provision and providers in the Welsh public transport network, in seeking to create new opportunities for more people to choose sustainable shared transport options. We welcome this renewed focus on Bus as a vital part of our transport infrastructure, and are very pleased to see the recognition and inclusion of community-led provision alongside more mainstream modes in the draft Bill. Our concern throughout this process is around ensuring everyone in our communities has equitable access to this improved network - we have added detail below in specific questions to illustrate this.

<https://ctauk.org/news/one-network-one-timetable-one-ticket-response-cta>

2. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 1 - Key concepts and general objectives (sections 1 to 4)**

CTA believes that the key concepts set out in Part 1 are logical and congruent with the industry's understanding of such terms. We appreciate the Welsh Government's clear delineation between 'flexible' and 'standard' bus services in the draft Bill, and welcome the clarity this will offer when the Welsh Government and their delivery partners Transport for Wales (TfW) begin creating franchise packages for tender.

The objectives set out in the draft Bill are welcome and clearly link back to the policy intentions set out in Llwybr Newydd in 2021. We appreciate the leadership shown by the Welsh Government in taking ownership of such objectives and creating the legislative framework that gives them a legal duty to deliver an integrated, accessible, affordable, and sustainable network.

3. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 2 - Functions of the Welsh Ministers relating to local bus services (sections 5 to 20)**

Preparation of Welsh Bus Network Plan

The Welsh Ministers do not have the capacity or the expertise to draw up the Network Plan, so they will necessarily be reliant on TfW, the CJsCs, and Local Authority officers to support them in this. While the CTA welcomes the responsibility lying with the Welsh Government for this work, we have significant concerns about how this will work in practice given the very poor community engagement we have seen around the drafting of the draft Regional Transport Plans which will feed directly into the development of the Network Plan. Feedback to CTA shows that these documents are complex, disconnected from reality and lived experience, aspirational, and unrealistic – they miss the very real challenges that currently prevent people from accessing our public transport network.

The extremely limited, digitally focused, and short term statutory consultation exercise completed by the CJsCs and the partners they have chosen to work with, have systematically excluded huge segments of Welsh society from the consultation process. The draft RTPs also have minimal recognition of the importance of Community Transport, despite Llwybr Newydd's Third Sector MiniPlan making clear that it is essential 'that community transport provision is included in travel plans for existing and new transport, health and education services'. We urge Senedd Members scrutinising the draft Bill to examine how this might impact on the development of the Network Plan, and to consider the need for a statutory duty to meaningfully engage with Welsh communities to inform the development of the Network Plan.

Local bus service contracts

CTA welcomes the recognition that community-led providers can form an effective part of a franchised network, as well as providing additional support to communities through other services. We applaud the Welsh Government for recognising the importance of Community Transport as part of an effective, integrated, and inclusive bus network, and making explicit provisions in law to enshrine the sector's right to actively participate in both tendered contracts (which are also compliant with other legislation including the Transport Act 1985 and provisions therein relating to Community Transport) as well as providing exempt services according to community need.

Reliance on community bus services

We have asked Officials involved in drafting this Bill for further clarity on this provision, and we would welcome Senedd Members scrutinising the draft Bill doing the same. While CTA welcomes the recognition of the importance of existing community-led services and we believe the intention is to avoid disruption to vital services already in place, it is unclear how this might work in practice - in particular the funding mechanisms which are essential to understand from a sustainability point of view, but not the purview of primary legislation; also any potential conflict that might arise from the development of new contracts or permits that cross into areas where Ministers are 'relying on community services' and which would be given priority.

4. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 3 - Restriction on providing local bus services (sections 21 to 24)**

CTA welcomes the provision of exemptions for community-led services, which will allow demand responsive services to continue alongside, but not part of, franchised networks in a zone. This exemption will ensure that people not able to access the mainstream network for any reason will still be able to access Community Transport where available, as well as holding space for operators to test and pilot new services to meet the needs identified in partnership with communities. As per section 1, we will need further detail on how communities will be enabled and empowered to feed this vital intelligence to the Welsh Ministers responsible for drawing up the Network Plan, in order to better respond to community need and maintain a continuously evolving and improving bus network.

5. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 4 - Information and data (sections 25 to 31)**

Provision of information to the Welsh Ministers

Given that services provided under a Section 19 permit are not in scope for this Bill and are not (in the main) funded by the Welsh Government/delivered under any sort of contractual agreement with the Welsh Government, it seems unreasonable that Welsh Ministers can expect providers to give information to the Welsh Government on these services. We would urge Senedd Members to seek further detail on this through the Scrutiny process, including:

1. What timescale will operators be expected to comply with in compiling/returning this data?
2. What training/support/investment will be provided to enable operators - many of whom are grassroots, volunteer-led charities with no/few paid employees - to comply with this expectation, especially given the reduced level of support CTA is able to offer since the Welsh Government reduced our funding in 2022/23?

It is also important to note that services provided under a Section 19 permit are not available to members of the general public under the Transport Act 1985, and are only available on a pre-booked basis to passengers that are eligible to receive that Community Transport organisation's support (ref: <https://www.gov.uk/government/publications/section-19-and-22-permits-not-for-profit-passenger-transport/section-19-and-22-permits-not-for-profit-passenger-transport>). CTA would question how and where such information as provided to the Welsh Ministers will then be shared, in order to ensure our members are not then found to be operating outside the expectations set out in UK legislation (not devolved to Wales), causing unintended consequences for our network.

6. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 5 - Local authority powers and duties (sections 32 to 34)**

CTA welcomes the provision for Local Authorities to continue to provide financial assistance to operators, and we look forward to working with Officials on the detail of this in forthcoming legislation and guidance. It is essential that support for the Community Transport sector is finally put on an equal footing with commercial transport, particularly given the Welsh Government's proclaimed focus on a network that puts people before profit. Community Transport operators are legally prohibited from generating a profit from their services, and in many places in Wales – despite little to no core funding – they have run vital, relied upon local services which have been meeting the needs of their local communities for decades. There are very few commercial businesses which can say they same.

We hope to see more equitable funding arrangements put in place that will enable community-led providers to step up into their full potential and play a more active role in improving the transport network as a whole. In addition to supporting existing operators to continue their services and develop, this is also an opportunity to address the transport deserts that exist in many smaller communities by piloting and rolling-out place-based, community-led provision with the potential to become an integral part of the network of the future. Examples CTA are currently supporting include Bala, Brynmawr, and Cellan.

7. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

▪ Part 6 - Miscellaneous and general (sections 35 to 44)

CTA welcomes the protection in law of worker's rights. We have no further comments on this section.

8. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

As identified in Q12, CTA has significant concerns about the quality of, and community involvement in, the Regional Transport Plans which will be used to develop the Network Plan for Wales. There is a particular gap in all four of these plans around how transport will support older people, disabled people, and those with other protected characteristics. It is clear that this Bill has been drafted through a social justice lens which is absolutely vital if as a society we wish to break down some of the barriers which prevent equal participation in our communities - we are very concerned that the reliance on limited, and in our opinion, flawed, RTPs, will have a detrimental impact on the Bill in delivering the objectives set out in Part 1.

CTA have offered support repeatedly to the Welsh Government, TfW, and the CJsCs in engaging with community partners/local residents to inform future network development. As identified in WCPP's research project around multi-sector collaboration in transport, 'Multisector collaborations and partnerships can be a mechanism for generating action that is co-productive, co-creative, and collaborative ... Participants called for transport to be connected, grounded, centred, and even rooted in community' (ref <https://wcpp.org.uk/publication/exploring-the-role-of-multisector-collaboration-in-welsh-transport/>). We reiterate this offer here, as we hope Senedd Members will consider how this could be implemented going forward and how this should be reflected in the draft Bill and any further legislation or guidance to follow.

Secondly, Community Transport operators are not in the same financial or operational position as commercial businesses to be able to bid for contracts - despite their ability to deliver them well in practice. While outside the scope of

this draft legislation, it will be important for Ministers and Senedd Members to consider how this barrier could be removed to ensure equitable access to the opportunities not-for-profit, community-led providers should have to play an active role in delivering our future public transport network.

9. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)

No comments for this section

10. Are any unintended consequences likely to arise from the Bill?

S22 routes not part of a contract or permit will still need to be registered with the Office of the Traffic Commissioner – how this might impact our ability to deliver services in a timely and responsive way, if Local Authority transport teams are reduced and/or busy with franchises is currently unclear, as is the potential for pushback from Local Authority colleagues who are already being instructed to prioritise mainstream T routes. CTA anticipates that following introduction of the Bill following Royal Assent, there will be restricted capacity and funding for the Community Transport sector and a lack of clarity on transitional arrangements during franchise zone roll out – we would welcome Senedd Members’ support in scrutinising this further. We anticipate that this uncertainty and the potential for reduced funding could lead to the closure of some of our operators, leading to few people with additional support needs making vital journeys. In the RTP consultation responses, CTA have asked for clear Community Transport investment/development plans to be considered – we recommend that Senedd Members seek clarity on how this will be put in place before franchising gets underway.

CTA understands that all existing contracts will need to be retendered following implementation of the Bill, starting with the SW Wales franchise zone. This has the potential for significant cost changes from existing operators who will go from a position of certainty to vulnerability (private and community providers alike) at a time of very high costs already, with additional expectations around open data and real time information leading to significant additional investment being required. It is unclear whether this has been factored into the financial assessment in the RIA, as well as the additional investment that will be required for the Welsh Ministers to enable community-led providers not currently delivering contracted or permitted services to equitably participate (e.g.

investment in real time trackers, zero carbon fleet).

We recommend that Senedd Members consider the England Bus Bill provision for mandatory training of bus drivers around disability awareness and assistance. This has been identified as an issue by disabled people and DPOs in Wales including previous evidence given to the Climate Change Committee (ref <https://business.senedd.wales/ieListDocuments.aspx?CId=741&MId=12630&Ver=4>), and CTA believes a similar expectation in this Bill would benefit disabled passengers significantly. The Welsh Government's Disability Rights Taskforce (which includes CTA) would be a beneficial contact point to explore the need for this further. CTA have also been working with the West Glamorgan Regional Partnership on the development of a Transport Charter, coproduced in partnership with people with Learning Disabilities, which may be beneficial to consider (ref <https://www.westglamorgan.org.uk/programmes/well-being-and-learning-disability-programme/>). Not including such consideration may have the unintended consequence of disabled people continuing to feel unwelcome and unsupported on the Welsh bus network.

11. What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

It is CTA's understanding that the Welsh Government's proposed model for franchising the network is expensive and will require substantial long term investment to maintain and deliver on the aspirations set out in this Bill and in Llwybr Newydd. However we are not in a position to comment on the specifics set out in the Explanatory Memorandum, as this is not our specialist area and we are not resourced to be able to explore this in greater detail. What is true is that the Welsh tax payer already contributes substantially to subsidising a bus network that does not meet our needs, and shifting to this more regulated model will give the Welsh Ministers greater influence and control over how that network should work in the future.

12. Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

A key concern already touched on in Q12/Q17 is around the importance of involving communities in shaping our future network, and the limitations of

relying on the Regional Transport Plans developed by the CJsCs. CTA welcomes the specification in Part 2 section 6 of the draft Bill around consultation with key stakeholders and representative groups, however we do not feel this goes far enough. As per the 5 ways of working set out in the Wellbeing of Future Generations Act (2015), public bodies in Wales are expected to directly involve people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves. This ensures that services not only meet our current needs but also those of future generations – a key consideration for such a significant legislative change for Wales.

While the draft Bill stipulates that Ministers must consult with ‘any persons appearing to the Welsh Ministers to represent the interests of persons using or likely to use local bus services that the Welsh Ministers consider appropriate’, there are many people in Wales who do not use – and will not be able to use without significant changes – the Welsh bus network. If we want the network to meet these individual and community needs, it is vitally important that non-passenger voices are represented in any consultation. TFW have already admitted that the ‘base network’ introduced following the rollout of the franchised zones will look and feel very similar to the current network, particularly without an increase in funding. We do not expect to see big changes, especially in the short term, and we know from our passengers and our members that many people’s needs are not able to be met by mainstream bus. Rural communities, people living on low/restricted incomes, disabled people, people with learning disabilities, and carers – especially women who often have to make ‘chain’ journeys – tell us that the current network simply doesn’t work for them. If we want to make the bus network a viable and realistic option for behaviour change and carbon reduction, and/or reduce the need for services outwith the franchised network, it’s essential that Ministers have a statutory duty to meaningfully engage with people not using, and not currently likely to use the bus network – third sector partners including CTA and our members are ideally placed to support this.

A connected point around meaningful engagement and consultation – digital-first engagement as well as service delivery creates significant barriers for many people as seen in this paper by Senedd Research <https://research.senedd.wales/research-articles/computer-says-no-digital-exclusion-in-public-transport/>. If Ministers wish to meaningfully engage with communities to ensure services offer equitable access to all, this engagement cannot simply be via an inaccessible digital marketplace/online repository/facebook page as we saw recently with the draft RTP development process. CTA and our members are looking forward to working with Senedd

Members and the Welsh Government to ensure this draft legislation is further developed - in partnership with the communities it has been designed to serve - to ensure it meets the needs of people across Wales, both now and for the future.

BSWB 16 - Evidence from: Green Dragon Community Transport

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Gwasanaethau Bysiau (Cymru) | Bus Services (Wales) Bill

1. What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

Green Dragon Community Transport - GDCT - are on the whole supportive of the Bill.

I think legislation is the way to go forward. It would be good to make sure that our passengers and potential future passengers have access to services on which they feel safe, can access and are operated by those that they have built up a trust with over the years. Community Transport needs to be involved at all levels.

2. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?**▪ Part 1 - Key concepts and general objectives (sections 1 to 4)**

We want to make sure that Community Transport is taken seriously in what it provides currently to the many, many people across Wales many of whom are pretty isolated living in very rural places and in town settings where services are provided to a high standard with virtually no support. The services we currently operate provide a lifeline to many of them giving them access to services, including health (GP's, hospital appointments, other health related appointments, shopping, social events, etc..) We need services to be flexible and accessible to be able to deliver what we do successfully and easily.

Over the last 12 months we have carried in excess of 15,000 passengers travelling in the region of 25,000 miles. No mean feat when you consider 2 part time office staff, 6 part time drivers and several volunteers with fleet of 6 minibuses and 2 accessible cars.

3. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 2 - Functions of the Welsh Ministers relating to local bus services (sections 5 to 20)**

Welsh Ministers must always work for the country as a whole and not just prioritise their own specific areas they were voted in for. Favouritism must not be encountered. I'm not sure they would have the capacity or the expertise to draw up the Network Plan so must consult with TfW, CJC's and LA officers and importantly together with CTO's (Community Transport Organisations) as they work on the ground every day and deal with the public directly. CTO's understand the complexity of peoples travel needs as they age and encounter various health issues.

Talking, liaising, listening to and with the public is essential and CTO's need to be used to engage with those that others cannot reach.

Funding will be a major issue.

With regards to permits – not sure what relevance there is to this as the Traffic Commissioner has to approve the Section 22 permits and the routes submitted to use on those permits. They have the knowledge needed in order to do this including knowing what routes, etc. exist. Are any plans being made to bring the TC's back to Wales as currently the office is in Leeds?

We are concerned for the future of our services and are worried about any potential upset of current services offered by CT for our passengers.

4. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 3 - Restriction on providing local bus services (sections 21 to 24)**

Currently GDCT provides 20 demand responsive services each week and we welcome and hope that these should and will not be franchised. They were put out to tender by our LA last year – no one else tendered for these services – they

are our services that we started over the last 23 years and so have nurtured them so that they operate efficiently and successfully. The areas these services operate in are mainly where they cannot access the Network. Some of our services are used by passengers to access the Network but we have to be mindful of the health, age and needs of our passengers to make sure they are supported to do this easily. An example of this is getting folk to the 460 bus service from Cardigan to Camarthen – this bus stops right outside Glangwili Hospital and is very useful for passengers but obviously not all those with appointments are able to use that service. Saves a lot on hospital transport and parking issues. CT needs to be able to continue to respond to communities needs and be involved in a continuous evolving network.

5. What are your views on the Bill’s provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

▪ **Part 4 - Information and data (sections 25 to 31)**

It is important to make sure that the data that will be required to be collected is done so taking into account that many CTO’s have very limited funding, IT skills, staff hours, etc. What sort of time scale will operators be expected to comply with in gathering and returning this data? Would there be any funding to help with this? Data collecting can be time consuming but we understand the need to do so and its importance.

Last year we carried in excess of 13,000 passengers covering some 25,000 miles and with 2 part time office staff dealing with all the bookings, scheduling, general enquiries, etc. it can be a juggling act.

We experienced issues with this sort of thing with the BEF so are wary and want it to be right.

Would there be training, funding, support to enable CTO’s to comply.

It is important to note that all our services are bookable in advance. Each service goes out with a schedule specific to that journey so data is available. GDCT is proud of its achievements with regards to data. Also each CTO tends to have their own bespoke booking/data collection systems. There is no one size fits all in booking/scheduling/data collection and any systems off the shelf are usually prohibitively expensive.

6. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 5 - Local authority powers and duties (sections 32 to 34)**

We hope that GDCT will still receive funding from our LO as they have contracted us to deliver the services. This funding is very important as it makes up a little for the fact that we cannot claim back a full 100% of a concessionary fare. We can only claim back approx. 69.18% of each fare. We are not allowed to charge the passenger a top up fare. Under a Section 22 permit we can claim back concessionary fares. The concessionary fare rate is always determined well into the new financial year and then any increase claimed in retrospect. The support and help we get from Pembrokeshire County Council is excellent. They have a huge wealth of knowledge of Community Transport and support us as much as they can.

7. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 6 - Miscellaneous and general (sections 35 to 44)**

no comment

8. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

We would like to see everyone have the opportunity to access transport. The powers that be need to engage with CTO's as they work on the ground every day with many transport options from Dial a ride services, town riders, accessible cars, hospital and health transport, etc and they have not been asked or encouraged to take part in any community events regarding future network development - in fact the whole of mid and north Pembrokeshire and south Ceredigion has been excluded from any such events. They all took place in the south of the county with insufficient advertising to enable people to get to them.

As a Community Transport operator we are not in the same financial or operational league as commercial businesses by any stretch of the imagination. We are not for profit so have no shareholders or paid directors. We have to apply for grants on a regular basis to help booster funds for vehicle replacement, upgrade, etc. Using electric vehicles would be prohibitively expensive and the area we operate in does not have the infrastructure. The WG needs to be looking at other alternatives as electric is not the be all and end all.

With the income we have coming in we have a full understanding of what we can and cant do. Sometimes the thought of having to bid for contracts is just one step too far - we just want to help the passenger at the end of the day. When we do find that we do need to bid for services/funding, etc. the CTA provide that help should but there is only so much they can do too with the funds they have.

We need to make sure that we have the same opportunities as the private companies to play an active role in delivering the future bus network even though we are not-for-profit and community led.

9. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)

10. Are any unintended consequences likely to arise from the Bill?

To get a section 22 permit takes over 8 weeks, once you are successful in getting that permit (the form is horrendous) you then have to apply for the route/area and that takes a further 8 weeks minimum. We need to make sure that these time scales are reduced to enable faster start up of new services.

We are worried for our passengers that all existing contracts will need to be retendered following implementation of the Bill. If we have to stop providing our services they will not cope at all. We are a lifeline to many of our passengers some of whom are the most senior of age - many from 65 up to and including late 90's and some even 100+. They are truly amazing. They don't want to spend all day in their homes staring at the same 4 walls - look what happened during the pandemic - we don't want a repeat of the traumas they experienced. For many of them our services are the only time they meet people, they make new friends, they look forward to going out. They look out for one another, want to remain independent for as long as possible and do things where they don't have to rely

on their neighbours, family, etc. We are also obviously concerned about the potential knock on to our finances.

All our drivers are MiDAS trained to a high standard and we wish this to continue and other training to be accessible with regard to Disability issues etc. When using CT transport all passengers are warmly welcomed and dealt with in such a way that by using CT they gain confidence needed to enable them to go on to use public transport. A bus buddy system and it works amazingly well.

11. What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

It all sounds expensive and will require substantial long term investment.

12. Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

Many of our passengers raise the issues that they are scared to go on normal public transport especially if they are wheelchair users. Space on board cannot be guaranteed. On our services the passengers book in advance by calling our office (not a call centre) so they always get the same person. Explanations are given to them on how the service works so they are fully aware and understand. A challenge when people may have onset dementia, etc. We also make sure that wheelchair assessments are completed for those using them to make sure they are safe to be transported on a vehicle. This is currently all provided free to the passenger and but it then gives them the confidence to travel.

Please do not rely on just using digital ways of getting information out to people. Many of our passengers do not have mobile phones, internet, etc – with the cost of living crisis they cant afford such things and don't want them. A lot of work needs to be done in person and this can be done easily using the networks that many CTO's have in the areas they operate in.

We need to make sure that it meets the needs of everyone across the Country now and in the future. GDCT is pleased to have the opportunity to give its thoughts. Thank you. We look forward to a good outcome.

BSWB 19 - Evidence from: Dial A Ride Denbighshire Ltd

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Gwasanaethau Bysiau (Cymru) | Bus Services (Wales) Bill

1. What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

Dial A Ride Denbighshire is in support of this policy, We are based in a coastal town but also cover many rural villages. These villages can have little or no public provisions available to them, The current legislation has isolated many residents of rural villages from main stream towns this can become expensive, and inaccessible leaving many people unable to connect with the people and the places they love. We welcome the Welsh Government's commitment to a network that puts people before profit, and securing accessible and affordable transport for all. We feel that being involved in this planning stage is vital for our existing and future service users.

2. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 1 - Key concepts and general objectives (sections 1 to 4)**

Dial A Ride Denbighshire Ltd. (DAR) is a community transport service for anyone that is unable to access public transport due to but not limited to the following: disability/vulnerability/capability/poverty/rural poverty and or have no means of transportation available through no fault of their own.

Providing our members, a service that will encourage independence, inspire confidence to leave their homes attend social groups, medical appointments, hair appointments, go shopping, visit friends and family or just a day trip out to the countryside, whilst promoting social inclusion in today's society.

Community Transport must be thought of through this process as for many people living in rural settings this is their only means of transportation. The service

provided has been identified as an essential part of the communities transport provisions following discussions with our local social services, Hospital Passenger transport, existing members, local support groups, social clubs, charitable forums and other organisations, which clearly provides evidence that there is a substantial gap in current transport provisions, which has led to social exclusion, and rural poverty.

3. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 2 - Functions of the Welsh Ministers relating to local bus services (sections 5 to 20)**

DAR provides transportation services for people who are living with any disability or impairment that they are either unable to access conventional public bus services/transport or those who struggle through no fault of their own. We are a lifeline to many rural members that have no access to any form of public transport, or minimal options due to poor timings of provisions.

We cover rural villages that have a minimal transport service, this enables members to attend social groups, medical appointments and exercise/physio classes on a regular basis.

We have numerous members that are located with assess restricting semi-rural and rural properties, where conventional bus services are unable to access, meaning without our service they would be confined to their homes.

We speak with local councillors regularly regarding their local constituency and the need for a door to door service, rural communities can find it difficult to access bus service as they are unable to get to the bus stop in the first place, with this said, this is why we feel that Community Transport operators need to be fully involved with the process as we are already providing this service quite successfully. Change to how we already run our services could have a detrimental effect on the service we provide and the service users using the service.

4. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 3 - Restriction on providing local bus services (sections 21 to 24)**

No comment.

5. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 4 - Information and data (sections 25 to 31)**

It is important that community transport providers supplying a service under Sec 19 is included in the say of how and what information will be collected as the service we already provide is vitally important and runs on low staffing numbers because of funding shortages, we will need to be fully informed what information will be asked for and how often it will be required. As a not for profit organisation this will have a huge impact on staff hours if the data required cannot be pulled from our online booking system already in use. We pay a lot of money per year for our booking system but all organisations use different systems how would this work with the information you will require? We can create and supply a lot of data from the system we use but if you require different data then the package might not be the best one to have, so we would then have to look at a bespoke one at a cost to the organisation.

It would also help if funding being allocated each year could be finalised by the end of March before the new financial year starts. This would help when trying to do your yearly budgets, as of yet we still do not know what we are receiving this financial year. Would the BSSG be applied for straight from Welsh Government?

Would the information needed from small organisation be different to what is needed now when applying for BSSG?

Would there be additional training needed for the staff and would the cost of this training be able to be added to the already stretched pot of money allocated to the BSSG?

6. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 5 - Local authority powers and duties (sections 32 to 34)**

We have provide a free shopping service to members of the community in our local area paid for by local authority for over 13 years this was ended in January because of cuts. How will local authority be able to help the community transport sector if cuts are still being made to their budgets? DAR has now carried on this contract the individuals now pay for the service, we could not see these people losing a service that the relied on we in week out.

7. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?

- **Part 6 - Miscellaneous and general (sections 35 to 44)**

DAR welcomes the protection in law of worker's rights. We have no further comments on this section.

8. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

DAR can see gaps in the transport provisions in our area. Fully accessible travel is a vital part of our community the work we do is totally different to commercial operators. As a not for profit organisation we rely on grants and funding streams along with donations from our members. We need to be able to keep our most vulnerable services users in our communities included. If we had to bid for contracts this could have financial impact on the service we provide, leading to less availability or even having to stop some services we provide in the future.

9. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)

No comments for this section.

10. Are any unintended consequences likely to arise from the Bill?

DAR currently does not run Sec 22 but if we had to change the way we operated this worries us about the time it takes to get a Sec 22 and register the route etc. This would have an impact again on the service users that use us on a daily weekly basic.

11. What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

Very expensive but hopefully will help with the long term investment to the transport sector.

12. Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

DAR provides more than a transport service to many of our users and their families, we are a regular voice on the end of the phone a regular face at the door to pick them up. We are in close contact with families letting them know if their loved ones are ill or not quite themselves today when we went to pick them up, we have sat with people for hours waiting for an ambulance because when we got there they were on the floor and couldn't get up. We can't put a monetary value on these kind of things as we do it because we care about them and the community we live in.

DAR service users often mention that the worry if able to use public transport that if they are waiting at a bus stop in there wheelchair and the bus arrives with the space for a wheelchair already occupied there is nothing they can do apart from wait for the next available bus this could be an hour or more and still no guarantee there will be available space when the next one arrives. This can be very

stressful for the user and what happens if that was the last bus of the day. A taxi can be too expensive for someone living on a low income.

We provide risk assessments on all wheelchair/scooter aids before a service user joins the service making sure that the aid is suitable for onward travel or do they have to transfer to a seat this is all recorded on their membership details and all drivers can see what is recorded when traveling.

All our drivers are MiDAS trained by our in house MiDAS DA this again is all expenditure that our charity has to find to train the staff member in their role as a driver.

We have to think of the age of our service users they would not be able to use an app or mobile device to arrange a pickup they like to call you and speak to a member of staff and know that the booking has been made. We recently did a questionnaire asking members how they would like to be contacted and most of the replies was by phone or post again this has cost implications.

Thank you for taking the time to read our replies.



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/HIDCC/0455/25

Llŷr Gruffydd MS
Chair
Climate Change, Environment, and Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

6 May 2025

Dear Llŷr,

I wish to inform the Committee of the intention to consent to the application of the Phytosanitary Conditions (Amendment) Regulations 2025 ('the Regulations') to Wales. The Regulations will be made by the Secretary of State and apply to Wales, England and Scotland.

I received a letter from Baroness Hayman of Ullock, Parliamentary Under Secretary of State, requesting consent to the Regulations. The Regulations amend Commission Implementing Regulation (EU) 2019/2072 establishing uniform conditions for the implementation of Regulation (EU) 2016/2031 ("the Plant Health Regulation") as regards protective measures against pests of plants. In accordance with the Plant Health Regulation, the Secretary of State approached the Welsh and Scottish Ministers for consent to the application of the Regulations to Wales and Scotland respectively. The Secretary of State has conducted a consultation (a summary of which will appear in the Explanatory Memorandum to the Regulations).

The Regulations protect biosecurity and support trade between Great Britain ("GB") and third countries by introducing and amending protective measures against pests of plants. They make amendments which have been proposed through an ongoing process of risk assessment to identify threats to GB biosecurity. They:

- (a) move the pests, *Neodiprion abietis* (known as the balsam fir sawfly) and *Pseudomonas avellanae* (a bacterial pathogen that causes hazelnut decline), from the list of Provisional Quarantine Pests to the list of Quarantine Pests ("QPs"). QPs are listed pests absent from GB (or under official control) which pose an unacceptable risk to GB, as they would cause economic/environmental damage if

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
Correspondence.Huw.Irranca-Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

introduced. These pests have been assessed as meeting the criteria to be QPs, as a result of a risk and horizon scanning process;

- (b) remove the pest Tobacco ringspot virus from the QP list, instead adding it to the Regulated Non-Quarantine Pest list;
- (c) revise the list of plants for planting that are currently regulated as hosts of Tomato ringspot virus;
- (d) amend the list of commodities regulated as hosts of *Agrilus planipennis* (known as emerald ash borer). As with (b) and (c), these measures were introduced on a risk basis to protect GB biosecurity and have since been reviewed following recent scientific developments;
- (e) update the references to conifer species, following taxonomic changes, to cover all conifer plants given these could similarly be associated with high-risk pests;
- (f) introduce consequential amendments to Annex 11 to align the list of plants, plant products and other objects and the respective third countries of origin or dispatch in respect of which phytosanitary certificates are required;
- (g) carry out technical updates to clarify certain import requirements and to formalise an existing trade easement.

Although the Welsh Government's general principle is the law relating to devolved matters should be made by the Welsh Ministers, on this occasion it is considered appropriate for the Regulations to be made by the Secretary of State. The Regulations relate to a devolved area; however, they impact on the biosecurity of GB which has traditionally been approached as a joint concern. GB is an island and plant pests and diseases have no respect for the borders between countries. Much of the Regulations relate to the importation of plants and plant products. Most of these goods which enter Wales come through English ports. Introducing separate regulations in Wales, England and Scotland would risk divergence on matters of biosecurity on which policy is aligned, may hamper enforcement by cross border bodies and place an additional burden on the Animal and Plant Health Agency (which enforces plant health across Wales and England) and businesses. Where policy is aligned, legislating on a GB basis assists those stakeholders who must comply with the requirements within the legislation to maintain our biosecurity.

I have written similarly to the Chair of the Legislation, Justice and Constitution Committee

Yours sincerely,



Huw Irranca Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion
Gwledig Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
Correspondence.Huw.Irranca-Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Agenda Item 5.2

Finance Committee

Senedd Cymru

Bae Caerdydd, Caerdydd, CF99 1SN

SeneddCyllid@enedd.cymru

senedd.cymru/SeneddCyllid

0300 200 6565

Welsh Parliament

Cardiff Bay, Cardiff, CF99 1SN

SeneddFinance@senedd.wales

senedd.wales/SeneddFinance

0300 200 6565

Chair, Children, Young People, and Education Committee

Chair, Climate Change, Environment, and Infrastructure Committee

Chair, Culture, Communications, Welsh Language, Sport, and International Relations Committee

Chair, Economy, Trade, and Rural Affairs Committee

Chair, Equality and Social Justice Committee

Chair, Health and Social Care Committee

Chair, Legislation, Justice and Constitution Committee

Chair, Local Government and Housing Committee

9 May 2025

Dear Committee Chairs,

Welsh Government Draft Budget 2026-27: Engagement

At our meetings on 12 March and 30 April 2025, the Finance Committee (the Committee) considered its programme of engagement for the forthcoming Welsh Government's Draft Budget 2026-27. I am writing to Chairs of subject committees to share our thinking. The Committee has agreed to undertake a number of engagement activities prior to the publication of the Draft Budget later this year. These include, a stakeholder event, focus groups held with the general public, and various other approaches to gather the views of young people.

Stakeholder Event: Bangor

This year's stakeholder event will take place at the Huw Owen Hall, Management Centre at Bangor University on Thursday 19 June. This will be an opportunity for the Committee to hear directly from interested organisations/individuals on the expected Draft Budget proposals, as well as their views on the Welsh Government's approach to setting the budget and prioritising resources. As cross-Committee engagement with stakeholders on the budget is crucial to effective scrutiny, I would like to invite Committee Chairs or a Member of your Committee to join the event. If Chairs or Members are interested in attending, please contact the clerking team seneddfinance@senedd.wales by 23 May.

Citizen engagement focus groups with the Welsh public

On behalf of the Committee, the Senedd's Citizens Engagement Team will be holding a series of focus groups on the Draft Budget with the Welsh public. The team has undertaken similar exercises over the past few years and the aim of this work is to form a cross-sectional study to allow the Committee to monitor perspectives and attitudes over time. Participants will be sourced through similar partner organisations to cover the same demographics as last year, and groups will be organised to focus on particular policy areas. The Citizens Engagement Team will circulate the dates of sessions to all Committees, should any Members wish to participate. In addition, there will be opportunities for individuals to share their views with Members of the Committee at the Urdd National Eisteddfod, the National Eisteddfod and at the Royal Welsh Show. This will allow an opportunity for Members to hear first-hand from the citizens of Wales where spending should be prioritised.

Youth Engagement

To further complement our engagement work, the Committee will hold a workshop with Members of the Youth Parliament (WYP). In previous years it was extremely informative to hear openly from young people about the issues concerning and directly affecting them. We are keen to continue building on this invaluable work and will be inviting the youth Members to participate in a workshop again this year.

We have also decided to invite Members of the WYP to participate in one of our Committee meetings in the Autumn term. Further details will be confirmed in due course.

Finance Committee Plenary Debate on the Welsh Government spending priorities

The Committee intends to hold a Plenary debate on Wednesday 16 July on the Welsh Government's spending priorities for 2026-27. The outcomes of our engagement work will inform and feed into this debate, which will provide the best opportunity to influence the Welsh Government spending priorities before the Draft Budget is published later in the year. As ever, we would very much welcome the participation of Committee Chairs, as well as other Members, as part of this debate, to ensure that the Welsh Government's spending plans are informed by the views and priorities of Senedd Committees.

Approach to budget scrutiny

I will shortly be writing to Chairs, with regard to the Committee's approach to budget scrutiny, including information on the consultation and timetable once the Trefnydd has notified the Business Committee of the Draft Budget publication dates before the summer recess.

If you have any questions about any aspect of the Draft Budget process, please feel free to contact me or the Clerk to the Finance Committee, Owain Roberts, 0300 200 6388, seneddfinance@senedd.wales.

Yours sincerely,



Peredur Owen Griffiths
Chair, Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



WLGA CONSULTATION RESPONSE:

Senedd consultation: Bus Services (Wales) Bill

30th April 2025

INTRODUCTION

1. The Welsh Local Government Association (WLGA) is a politically-led cross party organisation that seeks to give local government a strong voice at a national level. The Association represent the interests of local government and promotes local democracy in Wales. The 22 councils in Wales are all members of the WLGA and the 3 fire and rescue authorities and 3 national park authorities are associate members.
2. WLGA believes that the ideas that change people's lives, happen locally. Communities are at their best when they feel connected to their council through local democracy. By championing, facilitating, and achieving these connections, we can build a vibrant local democracy that allows communities to thrive.
3. The main aim of the Association is to promote, protect, support and develop democratic local government and the interests of councils in Wales. This means:
 - Promoting the role and prominence of councillors and council leaders
 - Ensuring maximum local discretion in legislation or statutory guidance
 - Championing and securing long-term and sustainable funding for councils
 - Promoting sector-led improvement
 - Encouraging a vibrant local democracy, promoting greater diversity
 - Supporting councils to effectively manage their workforce.

General Points and comments

4. WLGA welcomes the opportunity to respond to this consultation on the Bus Services (Wales) Bill. WLGA is supportive of the proposals in general but believes councils must continue to have a central role in their development and implementation. In particular, it will be vitally important to take full account of links between public bus services and home to school transport provision by councils. Potential impacts on smaller bus operators and existing arms-length municipal companies also need to be carefully considered. Full benefits of the move to franchising will require additional funding to be invested into bus services.
5. Each of the areas on which views are sought is considered below.

Issue 1: The general principles of the Bill and the need for legislation to deliver the stated policy intention

6. The overall purpose of the Bill is to enable a *“joined up public transport network that is safe, integrated, environmentally sustainable, efficient, economic and responds to meet the transport needs of the public. Local bus services need to meet the specific needs of each locality and, by stimulating patronage, connect more people and reduce reliance on private car”* (para 3.4 of the Explanatory Memorandum).
7. Welsh Government has taken the decision to legislate to place a duty on itself (and Transport for Wales) to secure local bus services that meet those goals, implemented in line with a Welsh Bus Network Plan that it will have to prepare and publish.
8. At present there is a combination of bus services operated on a commercial¹ basis and ‘Section 63’ services subsidised by local authorities to meet needs that would not otherwise be met.
9. Improvements in service provision (e.g. more routes, better frequency) will come at a financial cost. If such improvements could be introduced on a commercial basis, in most cases they would already be doing so. If more public money could be provided to enable additional services to be subsidised by councils, there could be enhancements to the current situation without the need for legislation. However, Welsh Government has taken the view that it will be able to make greater progress towards its goals, and do so more efficiently, if it/TfW have overall strategic control than if it is left to councils and operators alone.
10. Legislation is needed to give necessary powers to Welsh Government/TfW and remove the current s.63 duty on councils.

Issue 2: The Bill’s provisions, including whether they are workable and will deliver the stated policy intention.

11. There undoubtedly are economies from moving some functions to a national and regional level but it is important to remember that the vast majority of bus journeys are local. Local knowledge/intelligence will remain vital in meeting local demands effectively. Therefore, a partnership approach, in which councils are fully involved, will be essential in delivering the stated policy intention.
12. There are a number of complex issues that will need to be addressed for this to be successful in the longer term. The procurement and managing of franchising itself by Welsh Ministers / TfW will not improve bus services without improvements being made to bus priority, infrastructure and information provision, all of which will remain council functions. Funding for these elements needs to be considered as part of the overall franchising package to achieve a joined-up and integrated public transport network.

¹ On ‘commercial’ services there is fare-box revenue from passengers but this is supplemented by Concessionary Fare income paid to operators via councils and other grant income such as via the Bus Services Support Grant.

13. The question of funding ultimately remains the fundamental one, though. Without additional funding, changing the legislation will not, by itself, deliver on the policy intention and objectives. By introducing gross cost contracts, Welsh Government will have to meet any additional service costs not covered by increased fare box revenue. The more it seeks to expand the network to meet identified needs across Wales, the greater the exposure to this risk becomes.
14. The proposal is that franchising will roll out in phases across the regions of Wales. This will create challenges in terms of services that operate across regional boundaries. It will mean that changes to the s63 duty and concessionary fare reimbursement have to be phased in too. All of these issues can be overcome, but it will require close joint working and good communications to avoid disruption and confusion for all stakeholders concerned.
15. The phased approach may cause operator shortages in regions that follow later in the franchising roll out. Operators may be successful in franchising contracts in a region they do not currently operate, reducing operator availability elsewhere and, in turn, leaving service gaps in other networks. Additionally, operators that operate in more than one region may lose services as a result of an earlier franchise, resulting in some s63 and commercially operated services no longer being financially viable for them.

Issue 3: Key concepts and general objectives (Part 1 sections 1 to 4)

16. The only comment on these sections is that the objectives in Part 1 para 4, whilst all laudable, need to be considered in terms of their financial implications. That is not a matter for the legislation itself but for the RIA. The RIA contains an estimate that the cost of bus reform over 30 years will be £426.8m – or £14.2m p.a. if spread equally over that period. The RIA is based on there being no increase in mileage covered by services, but a redistribution. That, it suggests, will be possible by rationalising existing services to address ‘over-bussing’ that currently exists in some cases where there is competition between different operators. This assumption is questionable as there are few duplicate services currently in place. The costs seem extremely low given that current costs to run services are c£75m and this is with a network where around 30% of the routes are commercial. The figures used are from 2023 and there were significant increases in the cost of running services in 2024/25.
17. Whilst the RIA also identifies substantial estimated benefits from bus reform, these are non-cash and ‘non-recoverable’ in a financial sense (e.g. they relate to improved journey times). Therefore, ‘upfront’ additional costs will need to be met without the prospect of direct or immediate reimbursement. Over time, of course, if additional and better services generate increased passenger numbers there could be an increase in fare-box revenue.
18. In Section 4, the Bill places the duty for ‘having regard to’ a range of objectives on Welsh Ministers (which are then covered in more detail in other Parts of the Bill). This represents a transfer of responsibility from local government, although councils will still need to play a central role. This has implications in terms of local Member accountability and arguably:
 - introduces an additional layer of administration and costs
 - removes direct, local accountability in terms of passenger engagement with locally elected Members

- will risk there being a lack local knowledge if a national approach is taken ('one size' is unlikely to be suitable for all councils and CJsCs)
- by removing the councils' s.63 duty for bus service provision, may reduce the ability of Transport Cabinet members to secure internal funding against the backdrop of other statutory services which are under increasing cost pressures.
- creates the possibility of a transfer of functions, triggering a TUPE situation which could lead to a shortage of staff to carry out other council functions.

Issue 4: Functions of the Welsh Ministers relating to local bus services (Part 2 sections 5 to 20)

19. The Bill gives considerable powers to Ministers. Whilst there are clauses which require consultation with local authorities (and others), ultimately Part 2 Para 8(6) states that: *"Having consulted those persons on the proposed revisions, the Welsh Ministers may revise the Welsh Bus Network Plan either in terms of the revised draft Plan or, if they consider it appropriate having regard to any views expressed in the course of the consultation, in other terms"*. In other words, whilst councils will have to be consulted, Ministers will have the final say on whether to take councils' views into account.
20. WLGA believes that networks and decisions regarding local bus service contracts, permits and cross-border services should be discussed and agreed in partnership with the councils concerned. As a democratically elected tier of government, with substantial interest and stake in local bus services, agreement with councils should be the goal. That has been the approach taken in preparatory work in South West Wales to date, which will be the first region to move to a franchised network, but there have been instances where this has not been the case.
21. The requirement to produce a Bus Network Plan in itself could provide a foundation to develop services. The delivery of the plan will be wholly dependent on the level of funding available. Amendments to the Plan will be required only if changes last longer than 14 days, to allow for short-term disruption. However, many roadworks and diversions last a lot longer than this. The Plan consultation and requirements for changes appear very onerous and would cause severe operational issues, so are not felt to be workable. Any plan should be dynamic and subject to changes in circumstances.
22. The references to permits are ambiguous. It is not clear whether the desire is for a permit to operate public services (e.g. those under section 19 and 22 of the Transport Act 1985) or a permit to provide services in those areas that are operating under a franchising system. Additional criteria clarifying the circumstances under which a permit will be issued would be welcomed.
23. The provisions within the Bill under section 17 effectively allow Welsh Ministers to provide a local bus service directly if they consider that doing so would be a more effective way than by entering into a contract. This raises a number of concerns:
- Under what circumstances would this clause be used, as there is no reference to efficiency or to the potential increase in subsidy requirement that this could generate?

- Should a council set up a new local bus company, this investment could be at risk if Welsh Ministers decide to operate services directly.
- Would there be a conflict of interest if Welsh Government /TfW is both commissioning and operating services and who will monitor and scrutinise the effectiveness of this provision?
- This section effectively allows Ministers to bypass many of the provisions in the Bill and increases the risk to operators seeking to secure their future as an operator of the franchises, and is likely to reduce their confidence in the Bill's provisions.

Issue 5: Restriction on providing local bus services (Part 3 sections 21 to 24)

24. The restrictions and proposed penalties in the Bill will be needed if franchising is to work effectively. Local bus services will need to operate under one of the 'approved' mechanisms (local bus service contract, permit or s.17). If operators were free to set up and operate services that do not fall into one of these categories it could compromise the integrity of the overall planned network. Inevitably operators would want to target the most lucrative routes, which would reduce revenue for franchised services, undermining the plan for the wider network.
25. However, further clarity is required on 21(2) regarding who will decide on community bus services and how the provision of section 46(1) of the 1981 Act will work with franchising where these services are part of the network.

Issue 6: Information and data (Part 4 sections 25 to 31)

26. Accurate and timely information is critical in planning bus services. At present, operators and councils work together closely and share information to plan local bus services and react to ever-changing circumstances. These local relationships are important and include day-to-day exchanges over matters impacting on routes.
27. There are two risks here. The first is that information provision ends up being duplicated and less efficient, with Transport for Wales (acting on behalf of Welsh Government) requiring all information to be shared with them too. The second is that, as TfW takes on a greater role, councils may reduce their own capacity in terms of local bus management. That could have an impact on the quality and speed of communications with operators – something that is currently critical to the smooth delivery of services. Local knowledge is vital here. It will be important to avoid situations whereby operators approach TfW (as the contract manager) for information, only for TfW to have to contact the council for that information, adding another 'link in the chain'. The ability of councils to respond might have been reduced if their capacity has been cut back as a result of the shift of responsibilities.
28. The details around provision of information are not clear and do not state who is responsible for ensuring it is communicated to the public and how it is communicated.

The Bill states that Welsh Ministers must make arrangements to secure the information specified and ensure it is made available to the public but does not say by whom. There will be financial implications for councils if they have to provide this information in different formats and responsibilities need to be made clear within the Bill.

Issue 7: Local authority powers and duties (Part 5 sections 32 to 34)

29. The removal of the restriction on councils running bus undertakings is welcome. However, unless a council is already operating an arm's length bus company (as is the case in Cardiff and Newport) the cost of set up is likely to be prohibitive for most, if not all, councils. Furthermore, most councils will not currently have the in-house skills and knowledge required to run such an operation.
30. The removal of the s.63 duty on councils to subsidise bus service provision (where travel needs would not otherwise be met) is a direct result of the duty effectively being transferred to Welsh Government/TfW. At present, to comply with this duty, most councils contribute funding from their own budgets, over and above the grants provided to councils for this purpose by Welsh Government. With competing demands on their budgets there is a clear risk that councils will take the opportunity to reduce the amounts they currently contribute themselves, leaving Welsh Government to cover the shortfall (or else reducing the overall amount of funding available for the network).
31. There is no reference in the Bill of councils' power under section 93 of the Transport Act 1985 regarding concessionary fares schemes and how this is going to be delivered in franchising. Under the current legislation local authorities create and manage these schemes. If there are no changes in this legislation then local authorities will need to continue to manage and promote these schemes.

Issue 8: Miscellaneous and general (Part 6 sections 35 to 44).

32. Para. 38 gives extensive powers to make regulations. These will contain much of the detail that is not contained on the face of the Bill. Full consultation, and the ability of councils to input to any such regulations made using these powers, will be important.

Issue 9: Any potential barriers to the implementation of the Bill's provisions and whether the Bill takes account of them

33. There are likely to be challenges to be overcome as opposed to barriers. These will include:
- working out how to roll out franchising on a region by region basis when there are services that run between regions (and how to deal with cross border services with England via permits)

- how to phase out the s.63 duty on councils when some regions have moved to a franchised model and others haven't yet
- identifying a workable system for managing concessionary fares once franchised services are in place. This will be particularly complex during the periods whilst some regions have franchised services and others don't
- managing expectations, especially if no substantial additional funding is made available
- the prospect of challenge from bus operators under competition law if they take issue with the way lots are drawn up or where any direct awards are made
- avoiding negative consequences for home to school transport (see further comments under para. 35 below).

Issue 10: The appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (set out in Chapter 5 of Part 1 of the Explanatory Memorandum)

34. See comments in paras 24-25 above.

Issue 11: Whether there are any unintended consequences arising from the Bill

35. There is a risk of lots issued for franchises being won solely by the larger operators. This could undermine small local bus and coach operators currently providing public bus services in an area. Often these small companies will also be providing home to school transport services for councils. Failure to win franchises could force them to close or, instead, they may increase the costs of home to school transport substantially to make up for the loss of income.

36. Either way, the outcomes would be negative for councils and the local area, involving the possible loss of local jobs and/or increase in school transport costs. Welsh Government and TfW are alive to this possibility and have undertaken to look at the way lots are drawn up to ensure smaller operators have a realistic opportunity of bidding for some franchises.

37. Changes in routes as part of new network plans could also have unintended consequences, especially if key communities or locations (e.g. schools, hospitals) are no longer served in an attempt to speed up journey times and make them more attractive to longer distance travellers. There have already been instances where changes to Traws Cymru routes have resulted in councils having to lay on contract services to schools that are no longer on bus routes. This underlines the importance of councils inputting to network planning and helping to identify such issues in advance.

Issue 12: The financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum)

38. A range of assumptions has been made for the RIA in order to model the impact of bus reform. ATCO (the Association of Transport Co-ordinating Officers) has examined the

detail of the RIA and will be submitting its assessment of the financial implications. ATCO works closely with WLGA and its membership includes the officers in councils who deal with bus and home to school transport issues. They are best placed to comment on the RIA.

39. However, as noted above in para. 16, one of the assumptions is that there will be no initial increase in mileage, only a redistribution. If the full benefits of franchising are to be realised it is clear that additional investment in bus services will be needed to convince car drivers that there is a suitable, reliable, frequent alternative. That is likely to require substantial 'pump priming' for a considerable period of time to achieve the behaviour change needed for a modal shift to buses. Increasing passenger numbers will generate increased fare box revenue which, ultimately, will be vital if franchising is to result in self-sustained growth in services over time.

Tim Peppin, Corporate Director

Email: tim.peppin@wlga.gov.uk

Tel: 07747 483761