

Agenda – Public Accounts Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: Monday, 14 November
2016

Meeting time: 13.45

For further information contact:

Fay Buckle

Committee Clerk

0300 200 6565

SeneddPAC@assembly.wales

(13.45 – 14.00 Pre-meeting)

1 Introductions, apologies, substitutions and declarations of interest

(14.00)

2 Paper(s) to note

(14.00 – 14.05)

(Pages 1 – 5)

3 The Welsh Government’s Funding of Kancoat Ltd: Evidence session with the Welsh Government

(14.05 – 15.05)

(Pages 6 – 17)

Research Briefing

James Price – Deputy Permanent Secretary, Economy, Skills and Natural Resources Group, Welsh Government

Simon Jones – Director Transport and ICT Infrastructure, Welsh Government

Mick McGuire – Director, Sectors and Business, Welsh Government

4 Cardiff Airport: Welsh Government response to Fourth Assembly Committee's Report

(15.05 – 15.25)

(Pages 18 – 49)

Research Briefing

PAC(5)-09-16 Paper 1: Welsh Government Response



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

PAC(5)–09–16 Paper 2: Response from Cardiff International Airport Limited (CIAL)
PAC(5)–09–16 Paper 3: Letter from the Auditor General for Wales

James Price – Deputy Permanent Secretary, Economy, Skills and Natural Resources Group, Welsh Government

Simon Jones – Director Transport and ICT Infrastructure, Welsh Government

Mick McGuire – Director, Sectors and Business, Welsh Government

5 Intra–Wales – Cardiff to Anglesey – Air Service: Update from the Welsh Government

(15.25 – 15.45)

(Pages 50 – 57)

Research Briefing

PAC(5)–09–16 Paper 4

James Price – Deputy Permanent Secretary, Economy, Skills and Natural Resources Group, Welsh Government

Simon Jones – Director Transport and ICT Infrastructure, Welsh Government

Mick McGuire – Director, Sectors and Business, Welsh Government

6 Welsh Government investment in next generation broadband infrastructure: Update from the Welsh Government

(15.45 – 16.05)

(Pages 58 – 72)

Research Briefing

PAC(5)–09–16 Paper 5

James Price – Deputy Permanent Secretary, Economy, Skills and Natural Resources Group, Welsh Government

Simon Jones – Director Transport and ICT Infrastructure, Welsh Government

Mick McGuire – Director, Sectors and Business, Welsh Government

**7 Inquiry into value for money of Motorway and Trunk Road
Investment: Update from the Welsh Government**

(16.05 – 16.25)

(Pages 73 – 97)

Research Briefing

PAC(5)–09–16 Paper 6

James Price – Deputy Permanent Secretary, Economy, Skills and Natural Resources
Group, Welsh Government

Simon Jones – Director Transport and ICT Infrastructure, Welsh Government

Mick McGuire – Director, Sectors and Business, Welsh Government

**8 Motion under Standing Order 17.42 to resolve to exclude the
public from the meeting for the following business:**

(16.25)

Item 9 and the meeting on 21 November

(Break 16.25 – 16.35)

9 Consideration of evidence received Items 3 – 7

(16.35 – 17.00)

Concise Minutes – Public Accounts Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: Monday, 7 November
2016

Meeting time: 14.06 – 16.57

This meeting can be viewed

on [Senedd TV](#) at:

<http://senedd.tv/en/3778>

Attendance

Category	Names
Assembly Members:	Nick Ramsay AM (Chair) Mohammad Asghar (Oscar) AM Neil Hamilton AM Mike Hedges AM Neil McEvoy AM Rhianon Passmore AM Lee Waters AM
Witnesses:	Simon Dean, Welsh Government Dr Andrew Goodall, Welsh Government Albert Heaney, Welsh Government Sir Derek Jones, Welsh Government Jo Jordan, Welsh Government
Wales Audit Office	Huw Vaughan Thomas Dave Thomas
Committee Staff:	Fay Buckle (Clerk) Claire Griffiths (Deputy Clerk)



	Joanest Varney-Jackson (Legal Adviser) Owen Holzinger (Researcher)
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Transcript

[View the meeting transcript \(PDF KB\)](#) [View as HTML \(KB\)](#)

1 Introductions, apologies, substitutions and declarations of interest

- 1.1 The Chair welcomed Members of the Committee.
- 1.2 The Chair welcomed Neil McEvoy AM who had replaced Rhun ap Iorwerth AM on the Committee. The Chair put his thanks on the record to Rhun ap Iorwerth AM.
- 1.3 There were no apologies.

2 Paper(s) to note

- 2.1 The papers were noted.
- 2.2 The Committee noted the invitations from Aneurin Bevan University Health Board and Cwm Taf Health Board to visit and attend a tasting experience of hospital food from production to the patient. Members agreed to undertake a visit which the clerks will arrange.

2.1 Hospital Catering and Patient Nutrition: Additional information from Aneurin Bevan University Health Board (20 October 2016)

2.2 Hospital Catering and Patient Nutrition: Additional information from the Welsh Government (26 October 2016)

3 Governance Arrangements at Betsi Cadwaladr University Health Board: Progress report from the Welsh Government

- 3.1 The Committee considered the update from the Welsh Government questioning Dr Andrew Goodall, Director General/NHS Chief Executive, Simon Dean, Deputy Chief

Executive NHS Wales, Albert Heaney, Director, Social Services and Integration, Welsh Government and Jo Jordan, Director of Mental Health, NHS Governance & Corporate Services, Welsh Government on the progress.

4 Unscheduled Care: Progress report from the Welsh Government

4.1 The Committee considered the update from the Welsh Government questioning Dr Andrew Goodall, Director General/NHS Chief Executive, Simon Dean, Deputy Chief Executive NHS Wales, Albert Heaney, Director, Social Services and Integration, Welsh Government and Jo Jordan, Director of Mental Health, NHS Governance & Corporate Services, Welsh Government on the progress.

4.2 Dr Goodall agreed to:

- send a description of the clinical conditions that fall within the red, amber and green response times for ambulance calls;
- send further detail on response time figures for amber calls and how the Welsh Government monitors response times for these calls;
- investigate and report back on how GP out of hours coverage is managed by health boards.

5 National Framework for Continuing NHS Healthcare: Progress report from the Welsh Government

5.1 The Committee considered the update from the Welsh Government questioning Dr Andrew Goodall, Director General/NHS Chief Executive, Simon Dean, Deputy Chief Executive NHS Wales, Albert Heaney, Director, Social Services and Integration, Welsh Government and Jo Jordan, Director of Mental Health, NHS Governance & Corporate Services, Welsh Government on the progress.

6 Review of the impact of Private Practice on NHS Provision and Orthopaedic Services

6.1 The Committee considered the updates from the Welsh Government questioning Dr Andrew Goodall, Director General/NHS Chief Executive, Simon Dean, Deputy Chief Executive NHS Wales, Albert Heaney, Director, Social Services and Integration, Welsh

Government and Jo Jordan, Director of Mental Health, NHS Governance & Corporate Services, Welsh Government on the progress.

7 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

7.1 The motion was agreed.

8 Consideration of progress reports on health issues

8.1 Members discussed the evidence received and agreed the following:

Governance Arrangements at Betsi Cadwaladr University Health Board

Members noted the update and the scheduled joint WAO/HIW review planned for spring 2017. They agreed to reconsider whether they wish to examine the escalation and intervention framework mechanism on receipt of that review.

Unscheduled Care

Members noted the update and agreed that the inquiry into winter preparedness 2016/17 being undertaken by the Health, Social care and Sport Committee is best placed to take this issue forward.

National Framework for Continuing NHS Healthcare

Members noted the update and that the Auditor General for Wales will look at how each health board is managing claims when repatriated from Powys during his annual health board reviews.

Review of the impact of Private Practice on NHS Provision

Members noted the update and agreed that the Chair would write to the Welsh Government asking to be kept updated of progress made in implementing the accepted recommendations from the AGW's report and to be kept informed of the publication date of the revised Welsh Health Circular and guidance in relation to patients transferring from private practice to NHS waiting lists.

Orthopaedic Services

Members agreed to request an update from the Welsh Government on progressing the recommendations contained in the AGW Report on NHS Waiting Times for Elective Care in Wales (published in January 2015) and would consider that update together with the update on orthopaedic services.

9 Valedictory session: Sir Derek Jones, Permanent Secretary, Welsh Government

9.1 The Committee held a valedictory session with Sir Derek Jones, Permanent Secretary at the Welsh Government.

9.2 Sir Derek Jones agreed to write to the Chair with further details of how the allegations made by a whistle-blower on misuse of the concessionary bus scheme were initially dealt with.

9.3 The Chair thanked Sir Derek Jones for attending meetings of both this and the Public Accounts Committee in the Fourth Assembly and gave him the Committee's best wishes for his future.

10 Valedictory session: Consideration of evidence received

10.1 The Committee considered the evidence received and In addition, during the Committee's consideration of the valedictory session, Members agreed to ask the Permanent Secretary to send further details of the Welsh Government's Anti-Fraud Unit together with its budget.

Agenda Item 3

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

Agenda Item 4

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted



Nick Ramsay AM
Chair, Public Accounts Committee
National Assembly for Wales

c/o committeebusiness@wales.gsi.gov.uk

19 September 2016

The Welsh Government's acquisition and ownership of Cardiff Airport

Dear Chair,

I am writing to provide you with a copy of the Welsh Ministers' response to the Public Accounts Committee's report on Welsh Government's acquisition and ownership of Cardiff Airport.

I would like to thank you and the Committee for the careful and considered way in which you undertook the investigation and produced the report.

Whilst the attached response deals with the recommendations made in the committee's report, it also addresses many of the recommendations Auditor General for Wales' report into the Welsh Government Acquisition and Ownership of Cardiff Airport.

Dealing with the AGW's recommendations:

R1 – this is addressed in the response to the committee's Recommendation 4.

R2 – this is addressed in the response to the committee's Recommendation 5.

R3 – our response to the committee's Recommendation 3 confirms that WGC Holdco has consulted with the board of CIAL with a view to agreeing the process for appointing non-executive directors to the CIAL board.

R4 – a set of performance indicators has been developed and are now regularly reported upon. CIAL has committed to the publication of an annual report. CIAL has written separately to the committee about their proposals for the annual report.

R5 - this is addressed in the response to the committee's Recommendation 6.

R6 – The Welsh Government has commissioned Chris Cain, the author of the PPIW report “Maximising the Economic Benefits of the Welsh Government’s Investment in Cardiff and St. Athan Airports” to scope out a Master Plan for Cardiff Airport, building on his earlier work. This scoping exercise will be complete by the end of this calendar year, and will underpin the procurement of the detailed Master Planning activity.

R7 – The Welsh Government is reviewing the long term future for shuttle bus service as part of the work, described in our response to the committee’s Recommendation 10, to improve rail services to the Airport. In any case, the current service will be evaluated before the expiry of its current contract.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M. Jones', written over a horizontal line.

Response to the Report of the National Assembly for Wales Public Accounts Committee on The Welsh Government's acquisition and ownership of Cardiff Airport

We welcome the findings of the report and offer the following response, on behalf of both Welsh Government and WGC Holdco to the 10 recommendations contained within it.

Recommendation 1

The Committee recommends that the Welsh Government regularly review the businesses it has designated as anchor companies and regionally important companies.

Accepted. Welsh Government undertakes regular reviews of Anchor Companies in Wales. The last review, including consideration of Welsh Government account management arrangements, took place in July 2016.

Recommendation 2

The Committee recommends that the Welsh Government consider engaging with Transport Scotland to understand the different approach they have taken to membership of their holding company, how conflicts of interest are managed within the Scottish model and to consider the merits of such an approach alongside the work currently being undertaken to consider the composition of the CIAL and Holdco boards.

Accepted. Following the report, we have engaged with Transport Scotland and the Glasgow Prestwick Airport management team to understand the approach they have taken. We have concluded that our existing arrangements are preferable for our individual circumstances.

However, the compositions of the boards of WGC Holdco and CIAL are being supplemented with additional expertise. This process will be completed this year, and is partly due to our engagement with Transport Scotland.

Recommendation 3

The Committee recommends that Holdco encourage the CIAL Board to consider expanding its membership to include wider aviation and/or airline experience.

Accepted. WGC Holdco has encouraged the CIAL board to consider expanding its membership to include wider aviation and/or airline experience. The CIAL board has initiated the process to recruit an additional non-executive director with specialist aviation experience. We have also clarified the process and consents required for CIAL to appoint, reappoint or remove non-executive directors. This recruitment process is a matter for CIAL, but we understand that it will be completed in the coming months. We will update the committee when the appointment has been made

Recommendation 4

With regard to the composition of the Holdco Board, the Committee recommends that the Welsh Government give consideration to extending its membership to

include a civil servant from outside the Directorate that has responsibility for economy, skills and natural resources to minimise the potential for conflicts of interest to arise.

Accepted. We have given consideration to having an additional Senior Civil Servant from a different directorate on the WGC Holdco board. We agree that WGC Holdco should minimise the potential for conflicts of interests arising. WGC Holdco is considering its membership and will need to balance considerations of skills, current areas of responsibility and independence with the need to maintain an efficient approach. We also agree with Recommendation 5, and we are making a public appointment in that respect.

Therefore we do not believe a further expansion of Civil Service headcount is the most efficient or effective solution.

Recommendation 5

The Committee endorse the recommendation of the Auditor General's report and previously that of the Welsh Government's Internal Audit Services that Holdco should appoint a board member from outside of Welsh Government with appropriate business experience.

Accepted. WGC Holdco is considering the membership of its board. Since the CIAL board is recruiting a non-executive director with specialist aviation experience, WGC Holdco considers that any additional non-executive director should have experience of overseeing the governance of commercial organisations to complement existing skills. The public appointments process will begin in the next two months. We will update the committee when an appointment has been made.

Recommendation 6

The Committee recognise the uncertainty of longer term business planning and that Holdco may wish to formally approve actions on a two year outlook. However, the Committee recommend that Holdco should also require medium and longer term financial projections as part of its review of the airport's business plans.

Accepted. For Financial Year commencing 1 April 2016 CIAL produced a two year rolling business plan that includes forecasts for a further three years beyond (the medium term) and projections out to 20 years, following the recommendations of the Public Accounts Committee and the earlier report from the Auditor General for Wales.

Recommendation 7

The Committee recommends an update is provided by the Welsh Government following completion of the financial health review and whether this has resulted in any change in terms of commercial loans and that the Committee is kept updated on any additional loan finance that is agreed.

Accepted. The financial health review forms the basis for the analysis of a new loan application that CIAL made in the months following the committee's enquiry. The loan application is currently being considered by Welsh Government. We will update the committee once a decision has been reached.

Recommendation 8

In order to measure the benefits to Wales of Passengers coming through the airport, the Committee recommends that CIAL and the Welsh Government work together to collect this data.

Accepted. We understand that CIAL has obtained passenger data which demonstrates where passengers have been prior to their departure from the airport. CIAL and the Welsh Government are currently working together to determine how the data can be improved.

Recommendation 9

Given the Committee's observations regarding signage with regard to the Airport Express bus service, the Committee recommends that CIAL work with the Welsh Government to ensure signage is improved with specific consideration to making more user friendly for foreign travellers.

Accepted. This is ultimately a matter for CIAL, however we understand that work has commenced to improve signage for passengers and that the T9 bus operator has been involved in this work.

Recommendation 10

With regards to discussions between Cardiff Airport and Arriva Trains Wales to improve rail links to the airport, the Committee recommend that the Welsh Government work with both parties to encourage dialogue to improve the rail links to the airport.

Accepted. We have commissioned work to identify possible solutions to improve the rail infrastructure at Rhoose Station. This work will be completed shortly and will be considered as part of the development of South Wales Metro.

The Welsh Government is also fully engaged with CIAL on the programme of activity to improve connectivity within the region, which is aimed at enhancing surface access to the airport.

30th August 2016

Nick Ramsey AM
Chair
Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Cardiff Airport, Vale of Glamorgan, Wales CF62 3BD
Maes Awyr Caerdydd, Bro Morgannwg, Cymru CF62 3BD

Dear Mr Ramsey

NATIONAL ASSEMBLY FOR WALES – PUBLIC ACCOUNTS COMMITTEE
The Welsh Government's acquisition and ownership of Cardiff Airport
Update on recommendations applicable to Cardiff Airport

Firstly, may we congratulate you on your appointment as Chair of the National Assembly for Wales, Public Accounts Committee, established for the 5th Assembly on 22nd June 2016?

As you will know, the last report published by the Public Accounts Committee during the 4th Assembly (2011-2016) was a report on the Committee's inquiry into the Welsh Government's acquisition and ownership of Cardiff Airport. As Chairman and Managing Director of Cardiff International Airport Limited (CIAL), we were invited to provide oral evidence to the Committee at their session on 2nd February 2016. The Report that was subsequently published in March 2016, contained a total of 8 recommendations targeted primarily at the Welsh Government and HoldCo. However, 5 of these required action from CIAL and we thought it would be useful to provide you with an update of progress against these recommendations, which we do in the table below.

	Recommendation	Status
3	We recommend that HoldCo encourage the CIAL Board to consider expanding its membership to include wider aviation and/or airline experience.	CIAL Board has initiated the process to recruit an additional non-executive director with specialist aviation experience.
6	We recognise the uncertainty of longer term business planning and that HoldCo may wish to formally approve actions on a two year outlook. However, we recommend that HoldCo should also require medium and longer term financial projections as part of its review of the airport's business plan.	CIAL 2-year rolling business plan, approved by HoldCo on 31 st March 2016, incorporated the operating budget for year ending 31 st March 2016 and forecasts for FYs 17/18, 18/19, 19/20 and 20/21. In addition CIAL has submitted projections out to 20yrs to WG in support of commercial loan applications.
8	In order to measure the benefits to Wales of passengers coming through the Airport, we recommend that CIAL and the Welsh Government work together to collect the data.	CAA regional survey data (normally collated every 3-5years), collated from passenger interviews conducted on departure, can be segmented to consider visitors to Wales and measures their last point of stay before departure from Cardiff Airport. In addition, we are working with Visit Wales to determine how we can increase the frequency of survey and

		improve the quality of the data that is available to us and WG.
9	Given our observations regarding signage with regard the Airport Express bus service, the Committee recommends that CIAL work with the Welsh Government to ensure that signage is improved with specific consideration to making more user friendly for foreign travellers.	Work has commenced in conjunction with the T9 operator to improve signage for arriving passengers.
10	With regards to discussions between Cardiff Airport and Arriva Trains Wales to improve rail links to the Airport, we recommend that the Welsh Government work with both parties to encourage dialogue to improve rail links to the Airport.	<p>We are working with the management of Arriva Trains Wales to discuss rail links to the Airport and the station infrastructure at Rhoose Station.</p> <p>We are also fully engaged with the WG's programme of activity to improve the connectivity within the City Region, which will also directly enhance surface access to the Airport. Projects of particular significance include:</p> <ul style="list-style-type: none"> • Improvements to the A4050 – 5 Mile Lane. 12 month construction period due to commence in 2017 and be completed in 2018 • M4 Corridor around Newport – due to open in Spring 2022. This will significantly improve access to the Airport from the east and is an important improvement for potential airline customers. • Metro network for south-east Wales. The Airport will be connected to the Metro system, with quicker journeys and higher frequencies leading to reduced journey times across the whole of the Capital City Region.

Finally, we would like to advise you that the CIAL Board has committed to produce an Annual Report each year, which will be released to coincide with the filing of our statutory accounts in December. We will also produce a more operationally-focussed half-year update, which we will publish at the beginning of July each year. A copy of the first Update, which was released on 12th July, is enclosed for your information.

Yours sincerely



Roger Lewis
Chairman



Debra Barber
Managing Director/Chief Operating Officer



cardiff airport 
maes awyr caerdydd

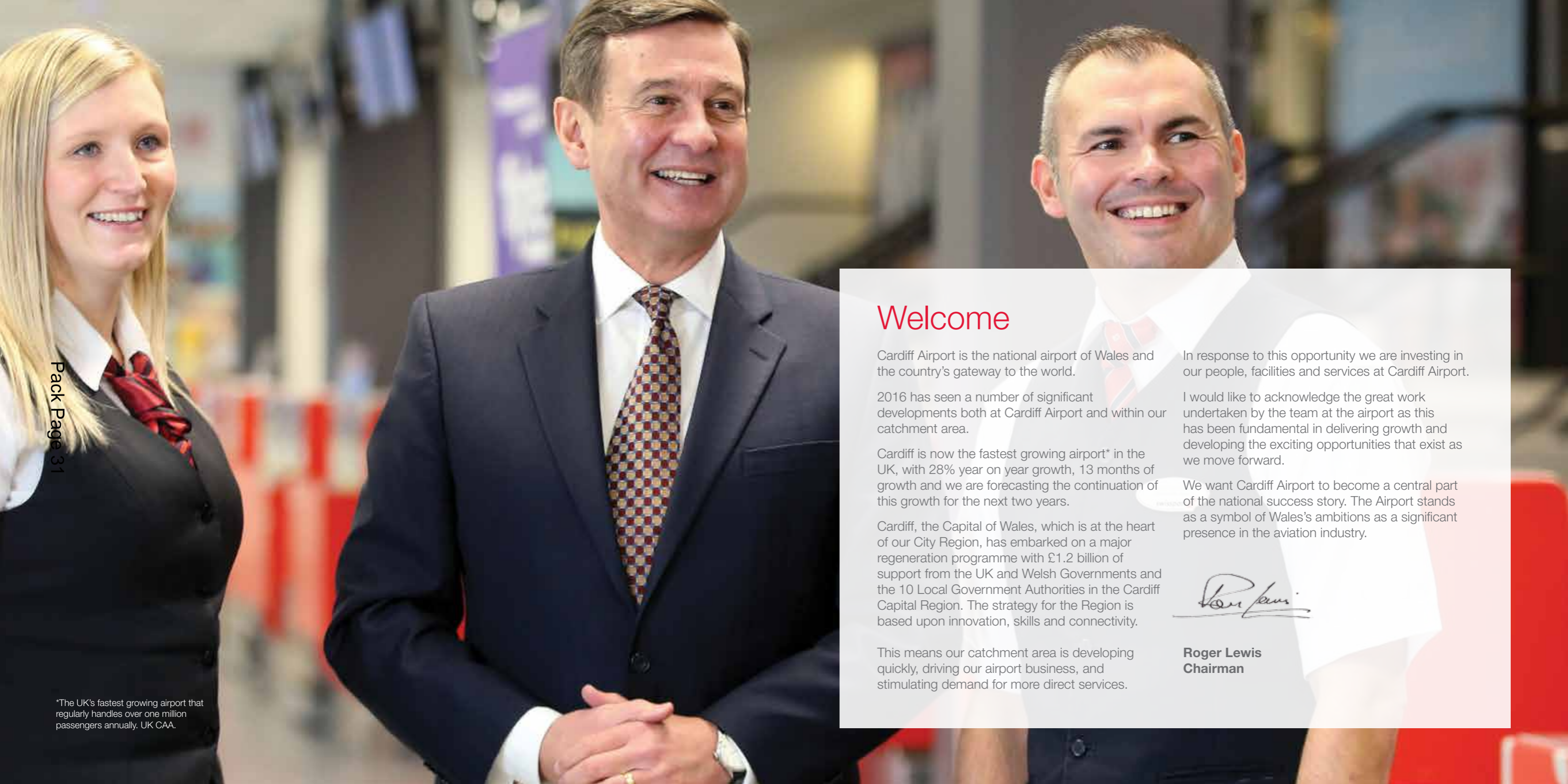
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Cardiff Airport Update 2016

**Cardiff is
the fastest
growing UK
airport***



Welcome

Cardiff Airport is the national airport of Wales and the country's gateway to the world.

2016 has seen a number of significant developments both at Cardiff Airport and within our catchment area.

Cardiff is now the fastest growing airport* in the UK, with 28% year on year growth, 13 months of growth and we are forecasting the continuation of this growth for the next two years.

Cardiff, the Capital of Wales, which is at the heart of our City Region, has embarked on a major regeneration programme with £1.2 billion of support from the UK and Welsh Governments and the 10 Local Government Authorities in the Cardiff Capital Region. The strategy for the Region is based upon innovation, skills and connectivity.

This means our catchment area is developing quickly, driving our airport business, and stimulating demand for more direct services.

In response to this opportunity we are investing in our people, facilities and services at Cardiff Airport.

I would like to acknowledge the great work undertaken by the team at the airport as this has been fundamental in delivering growth and developing the exciting opportunities that exist as we move forward.

We want Cardiff Airport to become a central part of the national success story. The Airport stands as a symbol of Wales's ambitions as a significant presence in the aviation industry.

Roger Lewis
Chairman

*The UK's fastest growing airport that regularly handles over one million passengers annually. UK CAA.

Business update

More than 1.3 million passengers are now choosing to fly from Cardiff. This growth comes following a number of positive airline developments including:

- Flybe celebrating its first anniversary of the two aircraft base and flying more than 380,000 passengers to destinations across the UK and Europe. The airline has also added new routes to London City, Verona and Berlin
- Vueling increasing its summer programme by over 40%, meaning greater capacity on flights to Alicante, Barcelona, Malaga and Palma Majorca.

Ryanair has doubled its flights to Tenerife, adding a second weekly flight from November. Winter will also see new direct cruise flights to Dubai with Thomson and P&O Cruises will continue to grow its programme of cruise flights to the Caribbean.

The terminal building has undergone a major transformation, with a number of improvements having been made to enhance the customer experience. These include the opening of a brand new walk-through tax and duty free store and the launch of Caffè Ritazza and The Beer House bar and restaurant. In addition we have invested in 3 state of the art fire vehicles.

Our team has grown with over 250 people now working directly for the Airport company and we are focussed on delivering exceptional service.

We are also very proud of our environmental performance achieving 100% recycling and zero waste to landfill which contributed to Cardiff being voted the best Airport in the UK for our environmental achievements in 2015 by the AOA.

As the capital city Airport we fly the flag for Wales every day of the year.

Debra Barber
Managing Director and Chief Operating Officer

We have a set of shared values, which help us to achieve our business priorities:



“ **Our vision:**
Cardiff Airport **aspires** to be an outstanding capital city airport connecting Wales to the world and the world to Wales, whilst delivering an exceptional customer experience. ”

“ **Our mission:**
To be a sustainable airport business generating significant economic benefit for Wales. ”



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New routes for 2016/17: Verona, Berlin, Dubai cruise flights

Flights to London City will operate during the Severn Tunnel closures

Growth

- Passenger numbers have grown to over 1.3 million
- 13 consecutive months of growth since June 2015
- We are forecasting growth for the following two years.

28% growth over the rolling year 

Cardiff is the fastest growing UK airport*

Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
12%	8%	10%	21%	62%	32%	56%	42%	68%	29%	40%	27%	17%

Growth has been achieved by enhancing capacity and driving volumes based on existing market demands:

- Developing year round services for core business and 'visiting friends and families' markets delivering economic value to Wales such as Cork, Dusseldorf, Glasgow, Munich, Milan and Paris
- Growing low cost carrier capacity on key leisure routes including Tenerife, Malaga, Palma and Faro
- Developing bespoke market options to differentiate Cardiff such as Caribbean and Dubai cruise flights, Italian tour charters and Orlando long haul flights
- Supporting major events both in Wales and internationally with Welsh teams and fans travelling abroad. Including RWC 2015, World Half Marathon 2016, UEFA Euro 2016 and upcoming UEFA Champions League 2017.

*Source: The UK's fastest growing airport that regularly handles over one million passengers annually. UK CAA.

Drive times from Cardiff Airport

60 minute population
1,873,800

90 minute population
4,613,900

120 minute population
6,079,000

Core catchment area

(Source: 2013 mid year population estimates, ONS)



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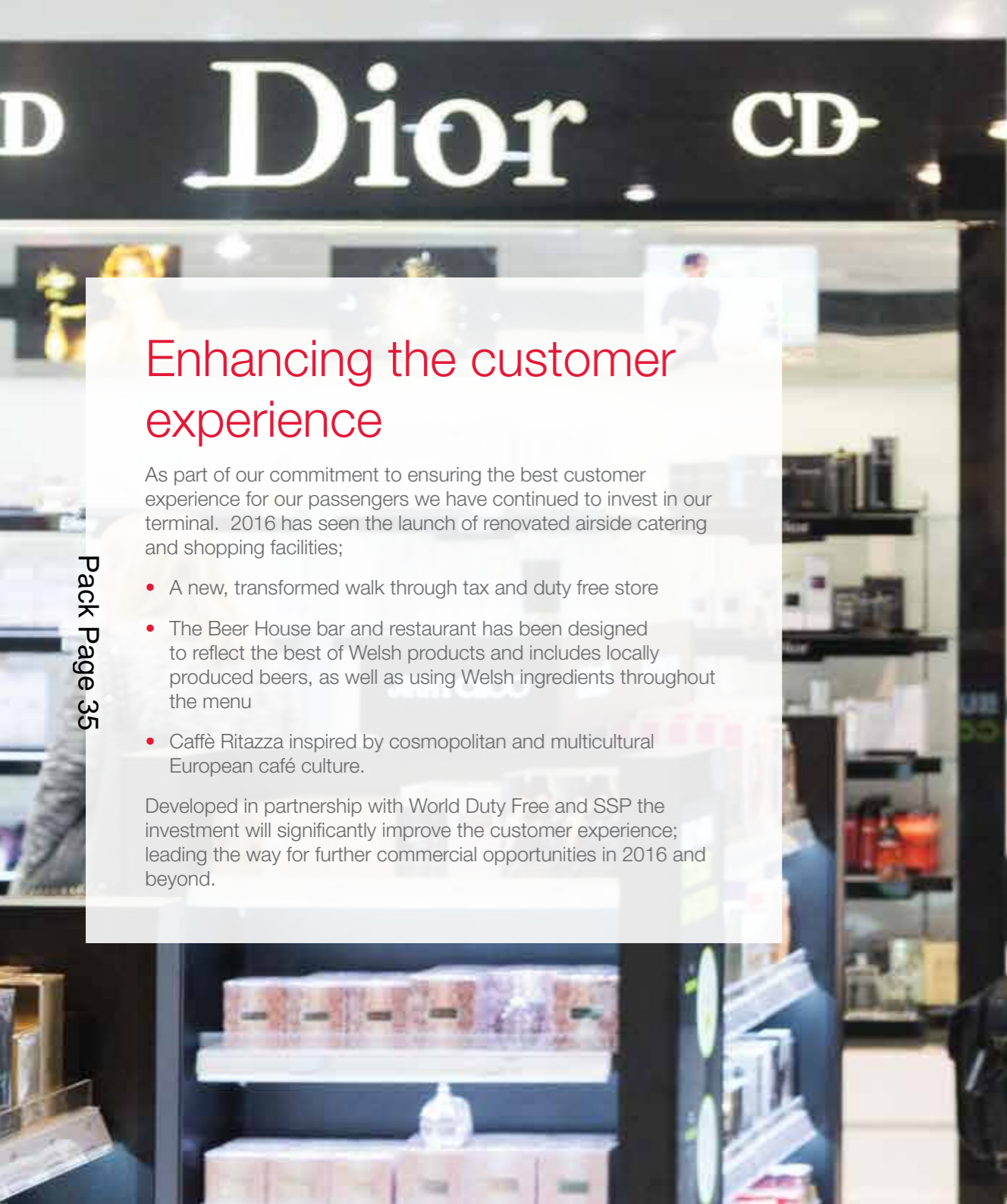
The potential for more growth

- Over four million passengers from South Wales took flights in 2015
- 1/3 used Cardiff Airport
- We are continuing to grow our market share by stimulating choice for customers living in our catchment area.

Top countries travelled to:



Source: CAA survey 2015/South Wales passenger final destination



Enhancing the customer experience

As part of our commitment to ensuring the best customer experience for our passengers we have continued to invest in our terminal. 2016 has seen the launch of renovated airside catering and shopping facilities;

- A new, transformed walk through tax and duty free store
- The Beer House bar and restaurant has been designed to reflect the best of Welsh products and includes locally produced beers, as well as using Welsh ingredients throughout the menu
- Caffè Ritazza inspired by cosmopolitan and multicultural European café culture.

Developed in partnership with World Duty Free and SSP the investment will significantly improve the customer experience; leading the way for further commercial opportunities in 2016 and beyond.





Investing in safety & security

We are investing in the latest security screening equipment for baggage to ensure ongoing compliance and even higher standards of detection.

We are also delighted to have taken delivery of our new fire vehicles, investing over £2million in three state of the art trucks.

It is essential we have safe and efficient fire equipment on site that crew can utilise to respond in the event of any emergencies either on the airfield or within the local area.

The three new vehicles, named by local primary school children, were built and customised working with our partners, Oshkosh and Terberg, and will be fully operational from June 2016.



Impact of Airport on Welsh economy



Source: PPIW report 2015

Visitors using Cardiff Airport

1 in 4 passengers are visitors to Wales...



of which international visitors using Cardiff Airport contribute an estimated



£55 million
to the Welsh economy

International passengers by country of residence



Source: 2015 CAA Survey/2015 IPS Survey



Cardiff Airport promoting the region

The Airport delivers the 3 key themes for the Cardiff Capital Region: connectivity, skills, innovation & growth

Future development:

- Cardiff Capital Region has secured a deal worth over £1.2 billion. The City Deal is expected to deliver up to 25,000 new jobs and leverage an additional £4 billion of private sector investment
- This includes investment into Cardiff Capital Region Metro system due to be complete by 2030
- £300m investment into Cardiff Innovation System; a Cardiff University facility
- Cardiff is forecasted to have the highest population growth rate of any UK city over the next 20 years.

Economy:

- One of the UK's fastest growing inward investment locations for 'Financial & Professional Services' businesses
- Access to a skilled and loyal workforce; up to 1.6m people within a 45 minute commute
- Cardiff is 'the fastest growing British city for financial services jobs' and an essential near-shoring hub for the City of London
- 25% of jobs in Cardiff are now in the Financial & Professional Services sector. Major investors include Eversheds, Deloitte, ING, Zurich, Conduit, Lloyds, AA, Centrica, Brewin Dolphin, Target, BT, PWC, Admiral, Principality, Serco, Tesco, Legal and General, and Confused.com
- The UK's number 1 city for workforce loyalty.

Education:

- Home to three universities – over 72,000 students
- The quality and impact of Cardiff University's research has led to it being ranked in the UK's top 5 universities breaking into the 'Golden triangle' of Oxford, Cambridge and London
- Cardiff 6th Form is the highest performing College in the UK.

Sports and Culture:

- Hosts of the UEFA Champions League Final 2017
- BBC's chosen Centre of Excellence for drama production
- The UK's number 1 city for quality of life.

Source: Cardiff University, UKSPA.org.uk, Cardiff City Region Board, FT, Welsh Government



Future events



2018 - Volvo Round the World Yacht race



2017 - UEFA Champions League Final



2017 - Senior open championships



2016 - Roald Dahl's City of the unexpected

Supporting special events

Cardiff Airport works closely with stakeholders to ensure major events hosted in Wales are delivered safely and successfully. Our team, along with other transport providers, local authorities, venues and emergency services adopt a collaborative 'Team Wales' approach to achieve this success.

Rugby World Cup 2015

Cardiff received the biggest economic boost of all host cities: £380m from staging 8 games including £198m of tourism spend.

The Airport handled over 35,000 extra passengers during the tournament.

UEFA Champions League Final 2017

With a capacity of 74,500, the Principality Stadium will host the biggest event on the football calendar in 2017 – the UEFA Champions League Final.

We'll be working hard to finalise plans to welcome thousands of fans to the capital and to make the most of this great opportunity. We are expecting over 12,000 passengers and over 200 aircraft movements during this momentous event.

Source: The economic impact of Rugby World Cup 2015 - Post event study

British Airways A380 visiting British Airways Maintenance Centre at Cardiff Airport.

British Airways will maintain its new Boeing 787 Dreamliner at Cardiff Airport from 2016.

Aerospace

The Airport is a hub that helps develop aerospace in the region

Six of the world's top ten aerospace and defence companies operate in Wales.

- The core competencies of the aerospace industry in Wales are maintenance, repair and overhaul (MRO), manufacturing, materials and tooling, test equipment, ground support equipment and UAV operations
- 160 companies with turnover of £5 billion operate in this sector in Wales
- All Airbus wings are made in Wales
- Over 20% of the UK's MRO is carried out within 20 miles of Cardiff Airport.

MRO

Babcock • BAE Systems • British Airways, Avionics, interiors and British Airways maintenance Cardiff (BAMC) • Cardiff Aviation • DSG Avionics at Sealand • GE Aviation • Marshall Aviation Services Ltd • Nordam Europe Ltd • Raytheon • TES Aviation Group

Manufacturing

Airbus in the UK, an EADS Company • CAV Aerospace • Doncasters • Gardner Aerospace • General Dynamics • Magellan Aerospace • Timet UK • Trittech Group • Zodiac Seating UK Ltd

Other key aerospace companies in Wales

Allied Aerosystems • AMSS • Airbus Defence & Space • Cottam and Brookes • Denis Ferranti • Group 8 • Ecube • Electroimpact UK • Airborne Systems Ltd • FAUN Trackway • MPI Aviation Ltd • Rovac Aerospace • TBD (UK) Limited

Cardiff Airport & St Athan Enterprise Zone

The area has been a base for aerospace and development activity for over 75 years and is home to some of the world's biggest aerospace and defence companies.

Earlier this year iconic British car maker Aston Martin announced it has chosen the Enterprise Zone as the site of its new centre of excellence. The new site will see Aston Martin manufacturing its new DBX crossover vehicle in Wales from 2020.

The zone presents a number of key development opportunities:

- A highly skilled aerospace and manufacturing cluster
- Two airfields providing scope for a gateway development
- Incentives and support available for establishing businesses in the area.

Current partners

Maintenance, repair & overhaul



Training



Manufacturing



Tear Down



Business jet charter



Tool hire



Emergency response



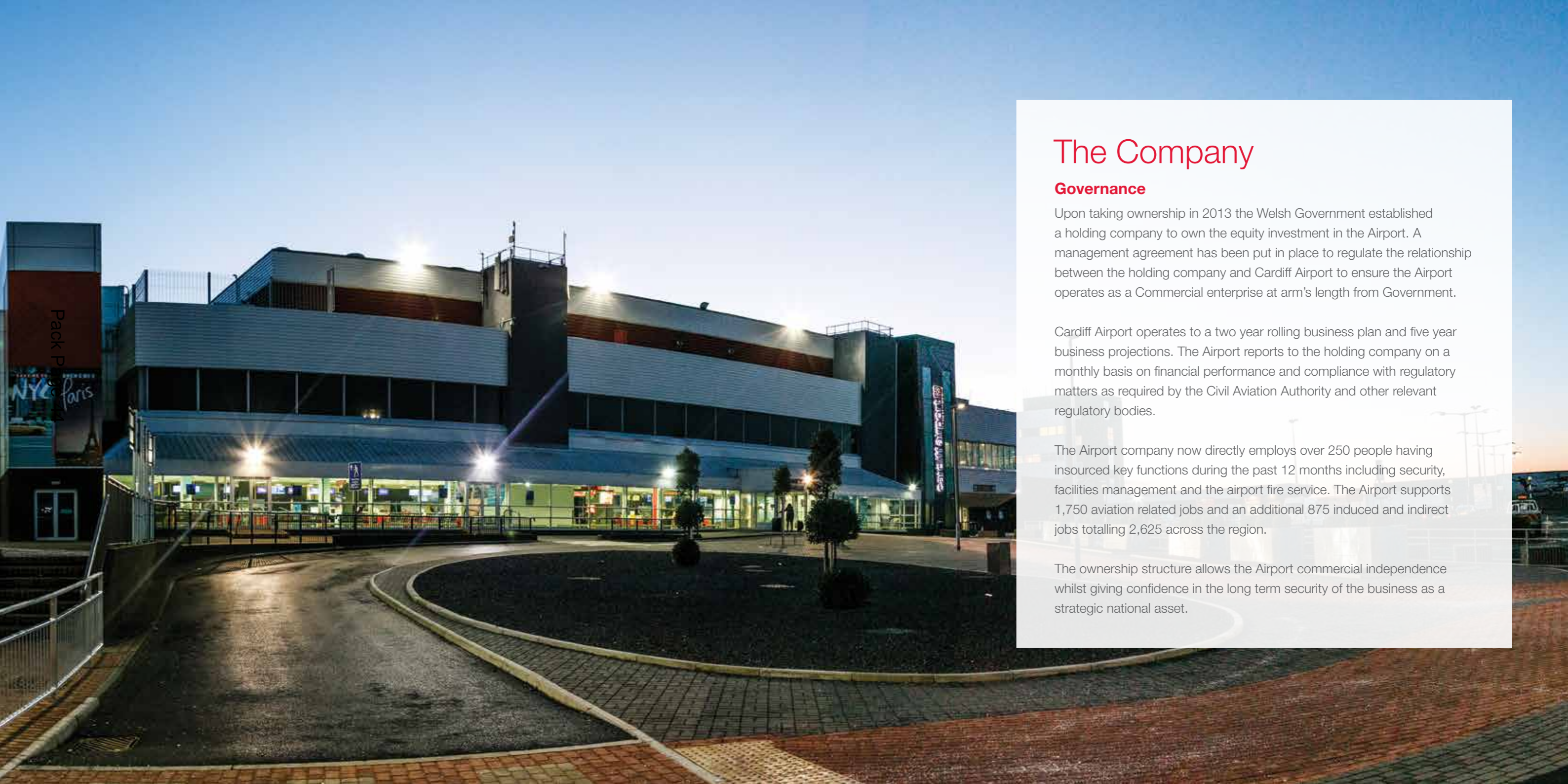


The future

We are focussed on developing a sustainable Airport business which we will achieve in the following ways:

- Increasing capacity with incumbent carriers
- Developing long haul flight opportunities
- Diversifying the business
- Promoting Wales as a market to do business
- Focusing on inbound tourism opportunities
- Stimulating the local economy
- Working with Welsh stakeholders in the development of regional and national plans
 - Cardiff City Region
 - Strategic transport plans
- Continuing to lobby on the devolution of air passenger duty (APD) to Wales
- Creating contagious confidence in the market

... to ensure Cardiff becomes **the** Airport of choice for people travelling to & from Wales.



The Company

Governance

Upon taking ownership in 2013 the Welsh Government established a holding company to own the equity investment in the Airport. A management agreement has been put in place to regulate the relationship between the holding company and Cardiff Airport to ensure the Airport operates as a Commercial enterprise at arm's length from Government.

Cardiff Airport operates to a two year rolling business plan and five year business projections. The Airport reports to the holding company on a monthly basis on financial performance and compliance with regulatory matters as required by the Civil Aviation Authority and other relevant regulatory bodies.

The Airport company now directly employs over 250 people having insourced key functions during the past 12 months including security, facilities management and the airport fire service. The Airport supports 1,750 aviation related jobs and an additional 875 induced and indirect jobs totalling 2,625 across the region.

The ownership structure allows the Airport commercial independence whilst giving confidence in the long term security of the business as a strategic national asset.

Board of Directors

Roger Lewis

Chairman

E-mail: roger.lewis@cwl.aero

Debra Barber

Managing Director & Chief Operating Officer

E-mail: debra.barber@cwl.aero

Geraint Davies CBE

Non Executive Director

E-mail: paula.baggot@cwl.aero

Margaret Llewellyn OBE

Non Executive Director

E-mail: paula.baggot@cwl.aero

Spencer Birns

Commercial Director

E-mail: spencer.birns@cwl.aero

Huw Lewis

Finance Director & Company Secretary

E-mail: huw.lewis@cwl.aero

Contact telephone number

01446 712 532



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Mr Nick Ramsay AM
Chair of the Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff CF99 1NA

Date: 30 September 2016
Our ref: HVT/2612/caf
Page: 1 of 2

Nick

THE WELSH GOVERNMENT'S ACQUISITION AND OWNERSHIP OF CARDIFF AIRPORT

The Deputy Clerk requested my advice on the Welsh Government response to the previous Committee's March 2016 report on 'The Welsh Government's Acquisition and Ownership of Cardiff Airport'. The Welsh Government's response also provides an update on action in response to my own January 2016 report on this topic. Several of my recommendations relate closely to issues covered by the previous Committee in its recommendations.

I am aware that the Committee has also received some correspondence from the Chairman of the Cardiff International Airport Limited (CIAL) Board and the Managing Director of the Airport itself. The update that CIAL has provided in response to five of the previous Committee's recommendations largely complements the Welsh Government response and in some cases provides further detail. CIAL has also provided an operationally-focussed half-year update published in July 2016.

The Welsh Government has accepted all of the previous Committee's recommendations. In the case of recommendation 2, the Welsh Government has considered the merits of the governance model used by Transport Scotland for Glasgow Prestwick Airport but decided that the existing arrangements here are preferable for the circumstances in respect of CIAL. As set out in my report, the Scottish Government's holding company for Glasgow Prestwick Airport is chaired by an independent non-executive director, recruited through open competition (who also chairs the airport operations company board). The Chief Executive of Glasgow Prestwick Airport is also a member of the holding company board.

Overall, I consider that the response to the previous Committee's recommendations is satisfactory, with the Welsh Government also committing to provide further updates on

some on-going matters. Nevertheless, the Committee could seek more detail from Welsh Government officials during the scheduled evidence session on Monday 10th October on issues including:

- the latest forecasts for passenger growth at Cardiff Airport, taking account of the impact of the agreement with Flybe that is referenced in the papers provided by CIAL and the projections in the 2016 CIAL business plan;
- whether 20-year projections will be a routine feature of CIAL's future business plans;
- the outcomes from the financial health review that the Welsh Government commissioned and the latest CIAL loan application (including the anticipated timetable for consideration of the application);
- the nature of the performance indicators that have been developed for CIAL (as mentioned in the response to recommendation 4 in my report); and
- the role of the Chairman of CIAL on the WGC Holdco Board (relevant to recommendation 2 in my report) and the anticipated timetable for the completion of actions relating to changes in the membership of CIAL and WGC Holdco boards.


HUW VAUGHAN THOMAS
AUDITOR GENERAL FOR WALES

Agenda Item 5

By virtue of paragraph(s) vi of Standing Order 17.42

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Adran yr Economi, Gwyddoniaeth a Thrafnidiaeth
Department for Economy, Science and Transport



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

23 September 2016

Dear Mr Ramsay,

I am writing to follow up on your request dated 25 July requesting further information on the Intra Wales Air Service.

I have enclosed a document which attempts to do this as fully as possible. Please let me know if you require any further information.

Yours sincerely

PP
Simon Jones



Welsh Government response to the PACs request on 25 July 2016 for further information to the Welsh Government response dated 27 January 2016.

PAC comment:

Following consideration of Simon Jones' letter of 27 January 2016, the previous committee recommended that a further update be prepared including trends in passenger number and the impact of the anticipated closure of Anglesey Airport during 2016, any outcomes from the work to explore the potential opportunities for expanding operations at Anglesey Airport and the outcome of the procurement of a new long-term operator.

It would also be helpful if the response can advise if consideration/discussion has been given to continuing this service following the Referendum vote.

WG response:

Passenger numbers on the PSO have fluctuated since Links Air's AOC was suspended in October. The current operator is working to restore passenger usage going forward.

The Welsh Government is pleased to report that the impact of the planned runway resurfacing works at RAF Valley caused minimal impact to passengers using the PSO. The PSO was operated to/from RAF Mona on Anglesey, causing no change to the operational timetable. Passengers continued to use the Anglesey Airport terminal building for check in and security screening purposes and were shuttled to/from RAF Mona to embark/disembark the aircraft.

Officials are working with external aviation experts to undertake demand forecasting, economic analysis and explore potential opportunities to extend the opening times and aircraft size at Anglesey Airport. The draft report has been received and this work is expected to be finalised at the end of autumn.

In accordance with EC regulation 1008/2008 for PSOs, officials have engaged external aviation experts to undertake a study to consider the long term future of the service. The study will consider the findings of the draft report to expand services at Anglesey, as well as other options such as the use of alternative airports, reducing frequency of flights, ceasing provision, and maintaining the status quo. The study will consider passenger usage, and the social and economic impact of implementing the different options available for the PSO. The report is expected to be finalised at the end of autumn and will inform any future procurement for a long term operator.

The referendum result for the UK to leave the EC is being considered as part of the above report; however, the UK Government will lead discussions centrally. As such, would not be appropriate for the Welsh Government to speculate on the long term future of PSOs or other EC regulations.

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Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref MA-P-JJ-6749-16

Nick Ramsay AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

21 September 2016

Dear Nick,

Public Accounts Committee Report – Welsh Government Investment in Next Generation Broadband Infrastructure - Update

I have pleasure in enclosing an update on the Welsh Government response to the above mentioned report.

Yours sincerely

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

Julie James AC / AM
Y Dirprwy Weinidog Sgiliau a Thechnoleg
Deputy Minister for Skills and Technology

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

English Enquiry Line 0300 0603300
Llinell Ymholiadau Cymraeg 0300 0604400
Correspondence: Julie.James@wales.gsi.gov.uk

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.

Welsh Government update to the Public Accounts Committee on Welsh Government Investment in Next Generation Broadband Infrastructure – September 2016

PAC Recommendation:

The Committee recommends that an update be provided by Welsh Government on the progress of rollout to difficult to reach premises no later than September 2016 including:

- an update on the achievement of 40 per cent of premises at 100Mbps;
- information on when residents will be told if that are not likely to receive next generation broadband through the Superfast Cymru contract;
- details of the affordable options available to them;
- the number of 'premises passed'; and
- an update on the recommendations contained in the Auditor General for Wales's report.

Update

BT have assured Welsh Government that through fibre on demand technology 100Mbps is available to all premises connected to live exchanges in Wales. In addition we anticipate around 85,000 premises will benefit from fibre to the premises technology as a result of the programme.

During the Autumn work is being undertaken to identify those premises unlikely to receive superfast broadband via either Superfast Cymru or commercial roll-outs.

On 9 September Welsh Government published a public consultation to primarily engage with the telecoms industry to understand their deployment plans.

This will enable Welsh Government to target unserved premises to further extend the Superfast Cymru project using £12.9 million of accelerated gain share funding from BT. The aim will be that this funding can be used to provide superfast broadband access ahead of the end of the current contract in December 2017. Further work will then be taken forward to explore options from 2018 onwards.

The Access Broadband Cymru scheme funds a range of alternative superfast capable broadband technologies including satellite and wireless connectivity. Details of the scheme are available on the Welsh Government website.

596,591 premises have been passed and the speed tested and verified as at the end of May 2016.

An update on the recommendations contained in the Auditor General for Wales's report is attached at annex 1.

PAC Recommendation

The Committee recommends that the Committee be provided with an update on work to improve communications and marketing of the benefits of access to superfast broadband no later than September 2016.

Update

A new Welsh Government led marketing and communications campaign has been agreed for 2016-19. It is a public service campaign to promote the use of broadband, show how it can help improve the lives of people and encourage take-up of superfast broadband. It will consist of multi-layered marketing, advertising, events, media, website and social media activity. Although the activity has national reach, the activity will be delivered on a local basis. Real life case studies will feature and there will be a series of local events to engage directly with the public.

Local authorities and other influential stakeholder and community groups will be provided with information and a 'tool kit' to enable them to also promote the benefits of superfast broadband.

The activity will launch in early October in two local authority regions. The activity will be evaluated on an ongoing basis with independent research commissioned to track progress and inform improvements.

The Welsh Government website now contains deployment information including an interactive checker that allows residents and businesses to search when they are likely to get Superfast Cymru FTTC. The deployment information on the website is provided by BT. BT have assured us that in October information will be available for consumers to also search for when FTTP will be available if that is the broadband solution being deployed for their premises.

Update on WAO recommendations Welsh Government investment in next generation broadband infrastructure

Recommendation 1

To improve communication about the local rollout of next generation broadband

Some local authorities, businesses and residents have not been satisfied with the communication about the Superfast Cymru rollout. The Superfast Cymru contract includes £1.7 million for marketing and publicity activities, which the Welsh Government reviewed in June 2014 resulting in an increased focus on households and improvements to the Superfast Cymru website.

- **As part of its marketing plan, the Welsh Government should continue to review its marketing activities, assess and monitor awareness of next generation broadband and identify whether businesses and residents are content with the level of information they receive on the status of next generation broadband rollout for their premises.**

Response:

The BT contract to deliver Superfast Cymru Marketing ended on 30 June 2016. As of 1 July 2016 the Welsh Government now leads on the communications and marketing for the Superfast Cymru deployment.

Following an evaluation of communications and audience research being undertaken a new Welsh Government marketing and communications campaign has been agreed by Ministers for 2016-19. This is a public service campaign to promote the use of broadband, show how it can help improve people's lives and encourage take-up of superfast broadband. This will consist of multi-layered marketing, advertising, events, media, website and social media activity. Although the activity has national reach, the activity will be delivered on a local basis. Real life case studies will feature and there will be a series of local events to engage directly with the public. Local authorities and other influential stakeholder and community groups will be provided with information and a 'tool kit' to enable them to also promote the benefits of superfast broadband. The activity will launch in early October in two local authority regions. The activity will be evaluated on an ongoing basis with independent research commissioned to track progress and inform improvements.

The Welsh Government website now contains all the required deployment information. An interactive checker allows residents and businesses to search when they are likely to get Superfast Cymru via Fibre to the Cabinet. BT have assured us that in October information will be available for consumers to also search for when Fibre to the Premises will be available if that is the

broadband solution being deployed for their premises. The checker is reliant on the provision of accurate information from BT. The website content has been improved with FAQs and useful advice about broadband. Trouble Shooting and Myth Busting fact sheets are in development.

Information for businesses is being provided through the superfast broadband business exploitation project. The main features of the programme include:

- Direct business support and advice through Business Wales. Superfast business workshops, clinics, on-line material and one-to-one sessions at a local level
- Research and intelligence, including the tracking and of adoption and exploitation of superfast broadband by businesses and providing insight into emerging technologies to ensure new opportunities are included
- Training and accreditation for business advisors who are delivering support on the ground.
- Champions for each local authority who will help lead engagement with their authority and local business community.
- A strategic advisory panel to support delivery consisting of experts from technology providers, industry bodies and public sector.

Recommendation 2

To ensure reaching contractual targets

To meet the contractual targets of the Superfast Cymru project, 40 per cent of premises in the intervention area must be capable of receiving speeds of 100 Mbps or more by the end of 2016. However, there were only 325 premises able to access next generation broadband with download speeds of 100 Mbps by the end of December 2014.

- **The Welsh Government needs to ensure BT has appropriate, detailed and robust plans in place as to how it will achieve the target of 40 per cent of premises capable of receiving speeds of 100 Mbps.**

Response:

BT has advised that through fibre on demand technology 100Mbps is available to all premises connected to Superfast Cymru live exchanges in Wales. In addition we anticipate around 85,000 premises will benefit from fibre to the premises technology as a result of the programme.

Recommendation 3

To monitor and support the take-up of next generation broadband

The provision of infrastructure for next generation broadband is of little value unless businesses and households take up the access and use it. The Welsh Government has not yet set any targets for the actual take-up of next generation broadband for either business or domestic premises.

- **The Welsh Government should:**
 - **set an aspirational target(s) for the take-up of next generation broadband to lend focus to efforts to encourage take-up;**
 - **collect information to demonstrate how businesses and the general public are using next generation broadband; and**
 - **work with relevant stakeholders to ensure appropriate measures are in place to allow benchmarking with other countries.**

Response:

In July 2015 the Deputy Minister for Skills and Technology announced in an oral statement that she wanted to see at least half of everyone who can connect to superfast broadband doing so. Further independent research conducted on behalf of Welsh Government confirms 50 per cent as a reasonable target for take-up.

Ofcom is the primary trusted source for information about use of broadband and next generation broadband and also benchmarking with other countries. However, further independent research is commissioned as required, for example, around marketing and communications and for the superfast broadband business exploitation project.

Recommendation 4

To improve effectiveness of the Access Broadband Cymru scheme

Access Broadband Cymru provides grants of up to £1,000 for faster broadband installation in areas where broadband speeds are less than two Mbps. However, up to February 2015, the Welsh Government had given funding for 340 installations (paragraph 2.19).

- **The Welsh Government should review the Access Broadband Cymru operation, including its communication of the scheme, to assess whether it is working as planned and if the scheme is still providing benefits.**

Response:

Following an assessment of how the scheme could better support the provision of superfast broadband the Deputy Minister for Skills and Technology announced in December 2015 a 2 year commitment to extend the Access Broadband Cymru scheme to all homes and businesses across Wales that cannot currently receive superfast connections. Under the previous

scheme only premises receiving less than 2Mbps were eligible. The new scheme commenced in January 2016.

Access Broadband Cymru now funds (or part-funds) the installation costs of new broadband connections for homes and businesses in Wales that deliver a step change in download speeds. There are 2 levels of funding depending on the speed required, £400 for download speeds between 10 and 20 Mbps and £800 for download speeds of 30Mbps and above. The scheme is technology neutral using a range of technologies including satellite, wireless and 4G to deliver superfast speeds.

Recommendation 5

To improve the delivery of the full benefits of the public investment

Until August 2014, there had been a lack of clarity about the responsibility for delivery and management of benefits of next generation broadband, but the Welsh Government is now developing benefit exploitation activity. This activity includes a national project for the exploitation by businesses and a plan for public sector exploitation. There are currently no specific benefit exploitation activities planned for households (paragraphs 2.55 to 2.68).

- **In addition to the current activity, the Welsh Government should:**
 - **develop a benefits management strategy or plan for the wider benefits of the Superfast Cymru project and its other next generation broadband interventions for households, businesses and the public sector;**
 - **make provision within the strategy or plan for a review to assess the delivery of the anticipated direct and indirect benefits at the end of the Superfast Cymru implementation phase (such as a Gateway 5 Review); and**
 - **repeat the review at regular intervals after the implementation phase is complete.**

Response:

A benefits management plan is now in place across Welsh Government digital infrastructure interventions including Superfast Cymru. Information on benefits is collated as a matter of course and will form part of any review of the project either during or following the implementation phase.

Recommendations 6 and 7

To learn the lessons from the Welsh Government's management of the planning and procurement of the Superfast Cymru contract

From its own internal review processes, the Welsh Government learnt a number of lessons from the planning and procurement phase of the Superfast Cymru project. The key issues the Welsh Government identified related mainly to project management arrangements, including turnover of key project

staff. In addition, our own work has identified some weaknesses in benefits management, and in the extent to which the option appraisal process considered affordability.

- **The Welsh Government should ensure that the lessons learnt from its own internal review and other lessons from this report are reflected in its own guidance on programme and project management.**

We found that compared to other publicly funded next generation broadband projects in the UK, the Welsh Government negotiated a contract with BT that includes a number of additional safeguards for public sector investment

- **The Welsh Government should share the lessons learned from its negotiation of the agreement with BT with Welsh Government departments and with the wider public sector.**

Response:

Lessons learned are identified as part of the gateway review processes throughout the life of large projects including Superfast Cymru, for example for the EU as part of its project completion processes. In addition, a further lessons learned review will be held towards the end of the project and will be then shared across the relevant professional disciplines within the Welsh Government.

Findings from these reviews will be fed into the corporate lesson learned framework for programme and project management. Officials will work with Value Wales to ensure that the procurement lessons are identified and disseminated across the procurement profession within the Welsh Government. Welsh Government will share the lessons with contract and procurement professionals from across Welsh Government and the wider public sector to raise awareness of the approach taken under the Superfast Cymru project.

Through the Welsh Government Preparing for the Future programme training sessions have already been delivered around commercial negotiation skills to procurement professionals during March and June 2016. These sessions will be continued as part of the ongoing commercial training suite which will be rolled out in autumn 2016 as part of usual training activities.

A contract management eLearning module will support the Contract Management Toolkit and will be "essential" mandatory training for all Welsh Government colleagues engaged in contract management activities from September 2016 onwards. This will be supplemented with a Managing Suppliers training option for those involved in larger scale, more strategic contracts with supplier available from October 2016. Additional modules for contract managers will cover Managing Value for Money, Category Management (where applicable), Legal Hints and Tips for Working with Suppliers and generic eLearning on procurement awareness and sourcing

suppliers.

All those who hold delegations to purchase (including to amend contracts) under the new WG Delegations Policy established under the work stream will need to undertake training once the Policy is rolled out later in 2016.

Agenda Item 7

By virtue of paragraph(s) vi of Standing Order 17.42

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Ken Skates AC/AM
Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith
Cabinet Secretary for Economy and Infrastructure



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref: MA-P-KS-6873-16

Nick Ramsay AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

30 September 2016

Dear Nick

Public Accounts Committee Report – Value for money in Motorway and Trunk Road Investment – Update

I have pleasure in enclosing an update on the Welsh Government response to the above mentioned report.

Yours sincerely

Ken Skates AC/AM
Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith
Cabinet Secretary for Economy and Infrastructure

Bae Caerdydd • Cardiff Bay
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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.

Pack Page 76

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.

Public Accounts Committee Report – Value for Money of Motorway & Trunk Road Investment – Update October 2016

No.	Recommendation	Status	Target date
1	The Committee recommends that the WG engage with the industry to understand its needs and ensure that info provided on the TR project pipeline is accurate and up to date.	<p>The WG will maintain a rolling programme of bi-annual supplier events to ensure the construction industry supply chain has access to accurate and up to date info on its pipeline of transport projects. Supplier events will be used to provide updates on procurement policies and in turn receive feedback on current practices. WG will establish regular engagement with representative bodies such as the Civil Engineering Contractors Association and the Association of Consulting Engineers.</p> <p>Jan 2016</p> <p>Supplier events were held in both north & south Wales in early December 2015. These were very well attended and will continue this year.</p>	Complete
2	The Committee recommends the WG should publish a clear prioritised list of all trunk road projects, with indicative dates. This list should include information on the current status of the projects and should be refreshed regularly, with reasons given for any change in status and priority.	A delivery schedule is set out in the National Transport Finance Plan and reflects the current assumptions about the delivery profile of each scheme. The Schedule notes these may be subject to change, recognising that statutory processes that must be completed and the need to be responsive to changing circumstances. The plan contains an annualised delivery period for each year for the first five years. The delivery schedule will be regularly reviewed and updated as the delivery profile for specific schemes become clearer.	Complete
3	The Committee recommends the WG publishes details of the scope approach and timetable for the review of the Welsh Transport Appraisal Guidance (WEITAG), including the approach to consultation, and publishes the outcome of review once completed.	WG are currently undertaking a thorough review of all areas covered within WeITAG in the light of the experience of its use since 2008, the major revisions in the complimentary DfT guidance now known as WeITAG 2, the Aqua book recently published by HMT and the forthcoming revision to the HMT Green book.	

No.	Recommendation	Status	Target date
3 cont	<p data-bbox="237 528 371 560">Oct 2015</p> <p data-bbox="237 600 920 855">The Committee would welcome further detail on how the Welsh Government meets the exportations. For example, we felt that a more specific commitment on the timetable of completion of the WelTAG consultation process and exactly when it is expected that the revised guidance will be issued and implemented.</p>	<p data-bbox="954 196 1727 448">This approach will ensure that the guidance sets out clearly a thorough process for the appraisal and evaluation of transport interventions, including qualitative and quantitative analysis where appropriate of social, environmental and economic impacts. The draft guidance will be produced by end of 2015. Consultation would follow in 2016.</p> <p data-bbox="954 528 1088 560">Oct 2015</p> <p data-bbox="954 600 1738 775">The draft guidance will be produced by the end of 2015. A twelve week consultation will follow in the spring of 2016 with a view to implementing the revised guidance later in 2016 following consideration of the responses received to that consultation.</p> <p data-bbox="954 815 1099 847">April 2016</p> <p data-bbox="954 887 1648 951">The WelTAG guidance is shortly due to go out for consultation.</p> <p data-bbox="954 991 1133 1023">August 2016</p> <p data-bbox="954 1062 1603 1126">Welsh Government will issue a draft for public consultation in early Autumn 2016</p>	
4	<p data-bbox="237 1286 920 1422">The Committee recommends the WG undertake a review to understand the factors leading to cost overruns on lower value projects and consider whether ECI or the principles of ECI</p>	<p data-bbox="954 1286 1727 1422">WG will undertake a review of lower value construction contracts to investigate opportunities for the optimum use of ECI principles. The review will be complete by the end of 2015 and the roads procedures guidance</p>	Complete

No.	Recommendation	Status	Target date
4 cont	<p>might improve performance on projects with a value of under £18m.</p> <p>Oct 2015</p> <p>The Committee would welcome an update on the outcome of the review of lower value contracts to investigate opportunities for the optimum use of ECI principle early in 2016.</p>	<p>updated where appropriate.</p> <p>Oct 2015</p> <p>The review has concluded that there are benefits to early engagement of the supply chain and that lower value contracts could benefit from early engagement with contractors. As a result, guidance will be amended such that early contractor involvement procurement route should be considered for construction contracts independent of value.</p>	
5	<p>The Committee recommends the WG explores all possible avenues to improve engagement with statutory undertakers, including legislative tools and further engagement with the UK government. We ask the WG report back to the Committee in the autumn term on how its work in this area is progressing.</p>	<p>The mechanisms for scheme delivery are covered in New Roads and Streetworks Act (NRSWA) 1991 and Traffic Management Act (TMA) 2004. The major obstacle to successful co-ordination is the failure of some highway authorities to notice their own works. This is being addressed and WG encourages all local highway authorities to notice their own works and this is written into the draft streetworks strategy. WG will write to all local highway authorities to instruct them to do this in compliance with the TMA by the end of September. All works are discussed at the regional co-ordination meetings, which are generally well attended. WG will investigate other tools to enhance the co-ordination of all works, e.g., websites. For major projects, the utilities have 5 year plans which are available and they already submit forward planning notices which identify these schemes in the co-ordination mechanism. In future and where possible WG still submit forward planning notices to alert utilities to proposed schemes. The committee will be provided with a report on progress in the autumn.</p>	Complete

No.	Recommendation	Status	Target date
5 cont	<p data-bbox="235 233 371 264">Oct 2015</p> <p data-bbox="235 308 902 635">The Committee noted that you will provide a further update later in the autumn on the street work's strategy which is scheduled to be published in 2015. The response did not address the Committee's concern about the pace of development of the strategy and remains unclear as to the extent to which the draft strategy covers issues relevant to major projects on the trunk road network.</p>	<p data-bbox="952 233 1088 264">Oct 2015</p> <p data-bbox="952 308 1727 488">The pace of development of the Street Works Strategy has been proportionate to the task of engaging stakeholders and identifying all the issues that need to be addressed. Those relevant to major projects are covered but there are others of equal importance.</p> <p data-bbox="952 639 1088 671">Jan 2016</p> <p data-bbox="952 715 1749 783">The draft document is out to consultation and finished at the end of January 2016.</p> <p data-bbox="952 823 1099 855">April 2016</p> <p data-bbox="952 898 1738 999">Street works consultation completed and currently we are assessing the responses. TRA are both working on IRIS.</p> <p data-bbox="952 1042 1133 1074">August 2016</p> <p data-bbox="952 1117 1749 1409">Launched the National Approach for Roads and Street works in Wales on 30 June 2016. By working in partnership with both statutory undertakers and highway authorities through the Welsh Highway Authorities and Utilities Committee (WHAUC), significant improvements can be made to the way road and street works are managed for the benefit of Wales within the existing legislative framework.</p>	

No.	Recommendation	Status	Target date
5 cont		<p>Improvements in 5 key areas:</p> <ul style="list-style-type: none"> • the planning, coordination and implementation of road and street works • the delivery of major road projects • communication with the public and business • skills and training • fostering within the road and street works community a culture of cooperation and continuous improvement. <p>The National Approach for Road and Street Works in Wales is of particular relevance to achieving the goals of a prosperous and resilient Wales set out in the Well-being of Future Generations (Wales) Act 2015.</p> <p>In carrying out works on the highway it is inevitable there will be some congestion. However there are still incidences of traffic disruption being greater than necessary due to over running or conflicting works. Addressing the 5 key areas for improvement will significantly improve the way road and street works are managed, ensuring that while communities have the services and well-managed infrastructure on which they rely.</p>	
6	We are concerned that the current balance between planned and reactive maintenance may not be appropriate, and note SWTRA's comments regarding the impact of financial	Officials continually monitor the condition of the motorway trunk road network through an annual programme of condition surveys and inspections. This data is used to identify sections of the network requiring	

No.	Recommendation	Status	Target date
6 cont	<p>constraints on both the deterioration of the condition of the road network and the number of unplanned repairs leading to inefficient use of resources. The Committee recommends that the WG clearly identify the reasons for the recent deterioration of the trunk road network and publish a plan to address these issues and reverse the deterioration within a defined time period.</p> <p>Oct 2015</p> <p>Whilst acknowledging that the Welsh Government has a programme in place to monitor the condition of the motorway and trunk road network, the Committee wishes to receive more detail on the reasons for the deterioration of the motorway and trunk road network and confirmation of expectations regarding the Welsh Government's plans to improve the condition of the network, for example, with regard to the annual programme of work. The Committee was disappointed to learn that the number of defects identified on trunk roads has dramatically increased and that your stated target of not more than eight per cent of the network length requiring maintenance since 2010 has not been met and wishes to receive your comments on this.</p>	<p>maintenance and establish the cause of the deterioration. This then informs the development of a forward programme of work to achieve the WG target of not more than 8% of its network length requiring maintenance. The maintenance programme of 2015/16 is currently underway and the programme for 2016/17 will be finalised by the end of the financial year.</p> <p>Jan 2016</p> <p>Whilst the target of not more than 8 per cent of the network requiring maintenance has not yet been achieved, there is evidence that the Welsh Government's strategy of close monitoring and targeted investment is effective. The percentage of trunk roads requiring maintenance fell from 14.3 per cent at the end of 2013 to 10.2 per cent at the end of 2014. It is too early to predict whether the additional £10M investment made by the Welsh Government in the current year will result in the target being met (the pavement condition model will be re-run at the end of the financial year once all maintenance work has been completed). However, the trend is now heading in the right direction.</p> <p>August 2016</p> <p>No change</p>	

No.	Recommendation	Status	Target date
7	<p>The Committee recommends that, in preparing the plan recommended above, the WG should set out clearly how it will achieve an effective balance between planned and reactive maintenance, and between major projects (new roads or major improvements) and maintenance of existing trunk roads, in the future.</p> <p>Oct 2015</p> <p>The Committee was unclear on how the Welsh Government's proposed action will address this recommendation and similarly the future prioritisation of expenditure is not clear. I have written to the Chair of the Enterprise and Business Committee asking that that Committee considers this issue as part of its budget scrutiny.</p>	<p>To assist with identifying and prioritising future road improvements, we will set out service standards and performance for the trunk and motorway network based round a corridor approach, and develop an assessment criteria that considers the whole life costs of the network. This work will be completed in early 2016.</p> <p>Oct 2015</p> <p>The comparison of the relative contribution that maintenance compared to improvement can make to the required performance of a transport corridor provides a way of informing the balance of investment between each</p> <p>May 2016</p> <p>As above</p> <p>August 2016</p> <p>A prioritisation programme of maintenance and improvement is in place across all asset types. Going forward a cross asset investment and cross asset prioritisation methodology will be developed to ensure the motorway and trunk road service is delivered at minimum whole life cost.</p>	
8	<p>The Committee recommends the WG ensure that there is consistency between the policies of the NW and SW TRA.</p>	<p>Officials are already working to develop all-Wales policies. The overriding aim is to have all-Wales documents with, where appropriate, local variations to cover specific matters by the end of 2016/17. All Wales</p>	

No.	Recommendation	Status	Target date
8 cont		<p>service level agreements (SLAs) are being developed for use by the TRA in procuring the services of their suppliers. The SLAs will be in place by the start of the new financial year.</p> <p>January 2016</p> <p>This work is still in progress and is on track for introduction in April 2016.</p> <p>April 2016</p> <p>A uniform service delivery agreement is in place that will now enable the comparison of costs on a like for like basis across regions and delivery organisations.</p> <p>August 2016</p> <p>As above, SDAs are in place – comparison exercises underway.</p>	
9	<p>The Committee recommends that, as part of the on-going review of TRA, WG should consider the advantages and disadvantages of establishing a single TRA and whether this could provide a more consistent approach to delivery of functions across Wales and improved vfm.</p>	<p>January 2016</p> <p>The TRA review considered the current two agent model be the optimum arrangement subject to the delivery of the cost savings £14M cost savings identified. The delivery of savings will be independently audited by cost consultants. If the performance of the current model does not meet expectations then further changes may be necessary.</p> <p>May 2016</p>	

No.	Recommendation	Status	Target date
9 cont		<p>As above – cost savings are to be delivered over the next two financial years 2016/17 and 2017/18</p> <p>August 2016</p> <p>As above – cost savings are to be delivered over the next two financial years 2016/17 and 2017/18</p>	
10	<p>The Committee recommends that accountability for the planning and delivery of minor improvement schemes via TRA and their local authority and other organisational partners be clarified and publicised so that it can be clearly understood by members of the public.</p>	<p>January 2016</p> <p>WG will provide information on accountability for the planning and delivery of minor improvement schemes on the trunk roads. This will include clarity on legislative responsibilities and delegations, details of agreements and of contractual arrangements. This information will be in place by the end of 2016.</p> <p>August 2016</p> <p>The information will be in place by the end of 2016.</p>	
11	<p>The Committee recommends that options for longer-term funding periods to allow better planning of maintenance works should be considered as part of the review of TRA. WG should monitor the effectiveness of the 5 year budget cycles used to fund Highways England.</p>	<p>Options for longer term funding periods include monitoring of the effectiveness of the Highways England funding model will be taken forward in parallel to the TRA review with the objective of implementing interim recommendations from 2016/17. Any final recommendations will be implemented from 2017/18 after sufficient time has passed to properly evaluate the outcome of the Highways England approach.</p>	Complete
12	<p>The Committee recommends the WG explores</p>	<p>WG approach to freight is to increase modal shift to rail</p>	Complete



No.	Recommendation	Status	Target date
12 cont	<p>alternative methods of funding, including private investment, in schemes which offer the use of priority or freight lanes in congested areas. Any schemes considered by the WG should be subject to robust business planning, including a full cost benefit analysis.</p>	<p>while recognising that road freight will retain a significant role. Investment in transport projects will take place where there is a sound and robust business case and will draw on a number of funding sources. Sources available are:</p> <ul style="list-style-type: none"> WG transport department capital and revenue budgets WG central capital, in support of the Wales infrastructure investment plan. Joint funding with the wider Economy Dept or wider WG borrowing, including early access to borrowing. Innovative finance (including use of the non-profit distributing (NPD) investment model) European Structural Funds Other European funding sources, local government or other public sector bodies. Enabling local government borrowing UK Government funding for non-devolved areas of transport, research councils, universities, the transport catapult and others. Private Sector Investment, National Lottery and other sources of funding Income from land or commercial developments. The relevance of the various potential funding sources will vary depending on the nature of the specific scheme. 	
13	<p>The Committee recommends that the WG response to this report sets out clearly the steps remaining for the implementation of an effective information management tool for trunk road improvement projects, management of maintenance programmes and monitoring of network condition. This should include the timeframe for each step and the deadline for full implementation.</p>	<p>WG will work to host its current information management tool for major road projects on WG IRIS information management system. This will be available to trial and fully implement in the 2016/17 financial year.</p>	


No.	Recommendation	Status	Target date
13 cont	<p data-bbox="237 233 371 264">Oct 2015</p> <p data-bbox="237 304 931 408">The Committee wishes to seek clarification as to why the Welsh Government partially accepted this recommendation.</p>	<p data-bbox="954 233 1155 264">January 2016</p> <p data-bbox="954 304 1727 592">This was only partially accepted because an effective information management tool for trunk road improvement projects has already been implemented. However, as previously indicated, this will now be brought into the Welsh Government's Integrated Road Information System (IRIS) along with all the other systems for managing and maintaining the motorway and trunk network.</p> <p data-bbox="954 639 1099 671">May 2016</p> <p data-bbox="954 679 1749 815">The IRIS system is substantially complete and is being used to manage the condition of existing assets and to store data for new highway projects. Developments and improvements to the system are ongoing.</p> <p data-bbox="954 863 1133 895">August 2016</p> <p data-bbox="954 935 1088 967">As above</p>	
14	<p data-bbox="237 1015 909 1190">The Committee recommends the WG undertakes an industry wide capability and competence audit across the private and public sector in Wales and sets out its approach to addressing any gaps identified.</p>	<p data-bbox="954 1015 1760 1406">A detailed study of known construction companies in Wales is proposed to identify any construction skill gaps. A quantitative assessment of the capability of the sector across all trades will be reviewed against the announced projects in Wales. A labour forecasting tool will be developed in conjunction with CITB for major transport and energy related infrastructure. CFW is designed to improve the performance and sustainability of Welsh construction companies. Companies involved in major projects in Wales will be identified and supported to develop their capability, capacity and their skills base.</p>	Complete

No.	Recommendation	Status	Target date
14 cont	<p data-bbox="237 344 371 373">Oct 2015</p> <p data-bbox="237 416 920 815">The Committee was pleased to learn of the commitment made to a study looking at the capability and competence of the construction sector. However, we would welcome confirmation that the study will also consider the wide range of non-construction specialist skills require for major projects and maintenance of the motorway and trunk road network. In addition, it was unclear as to whether the work described would also consider the public sector perspective referred to in the recommendation.</p>	<p data-bbox="954 196 1742 300">Construction apprentice opportunities can be supported through WG CFW partners, the CITB. This will be completed by summer 2016.</p> <p data-bbox="954 344 1088 373">Oct 2015</p> <p data-bbox="954 416 1742 520">We can confirm that the study will also consider a range of non-construction specialist skills and consider the public sector perspective.</p> <p data-bbox="954 863 1088 892">Jan 2016</p> <p data-bbox="954 935 1742 1150">A strategy is being developed to formally capture the current skills gap within the industry and identify training needs to address this. The strategy will involve a co-ordinated approach between the construction sector, Schools, Higher Education and Lifelong Learning Divisions within Welsh Government.</p> <p data-bbox="954 1193 1704 1297">It is anticipated that we will begin engagement with construction companies as well as higher and further education bodies in February 2016.</p> <p data-bbox="954 1340 1659 1410">In the meantime, we are continuing to support construction apprentices through working with our</p>	

No.	Recommendation	Status	Target date
14 cont		supply chain on existing major transport projects in Wales. For example on the A465 projects we have seen our contractors set up National Skills Academies for Construction in partnership with CITB, as well as the establishment of the Technical Apprentice Academy. Social clauses are included in these construction contracts requiring contractors to make formal commitments to local employment, training and engagement with the local supply chain.	
15	The Committee recommends the WG develop a means of monitoring and reporting on performance in co-ordination, communication etc. of road works and management of incidents to allow the effectiveness of the approach taken to be understood. This should include regular reporting on the volume of complaints and publication of such data in the public domain.	<p>Much of this data is collected as a matter of routine business. WG officials will make recommendations on the publication of the data in formats suitable for the public to digest. This data will be placed in the public domain. Configuration of the data will require some system additions and these will be designed this year with implementation in 2016/17.</p> <p>April 2016</p> <p>Recommendation from the Street Works Strategy is that Wales participates in the nation Quality Performance Scorecard to measure the performance of co-ordination, and does not produce its own performance measures</p> <p>August 2016</p> <p>Over 1/3 of Welsh Local Authorities are now submitting data to the nation Quality Performance Scorecard and the Welsh Government will continue to encourage participation and raise this at the next Welsh HAUC meeting in November.</p>	Complete

No.	Recommendation	Status	Target date
16	<p>The Committee recommends the WG continue to monitor the trial of screens on the M4 toll gates to Junction 35 to maintain the integrity of crash sites and mitigate against drivers trying to view the aftermath of a traffic accident and report back to the committee on their success.</p> <p>Oct 2015</p> <p>The Committee felt that it would be sufficient for its successor Committee to receive a single update following the conclusion of the anticipated three-year trial. In addition, the Committee would welcome an explanation of the policy change on undertaking a trial to erect screens on the A55 following accidents.</p>	<p>The trial will continue. Since the trial began there have been no incidents where the use of the screens would have provided benefit. A set of screens is also to be deployed to the A55 as a trial. The screens for the trial are on loan from Highways England and thus the length of the trial is dependent upon continued loan. Officials envisage the trial to be 3 years such that sufficient data can be gathered in terms of the number of times the screens have been deployed. A report will be sent back to the committee at the end of the financial year.</p> <p>Oct 2015</p> <p>The trial of incident screens has been an all-Wales trial, not specific to the A55. No policy change has driven this trial, more an operational opportunity to evaluate the effectiveness of such devices which are being provided by Highways England. With regards to the A55, the trial will coincide with the implementation of emergency crossing points and hardened verges, all aimed to increase the resilience of the network.</p> <p>January 2016</p> <p>The trial is ongoing, the screens have been deployed 3 times, allowing the road to remain open whilst work on scene continues. Positive feedback from the Emergency services. Invaluable following fatal collision on the M4 at J28 (14/12/15) – without the incident screens, a full closure of the Motorway would have been required through an AM peak in Newport.</p>	

No.	Recommendation	Status	Target date
16 cont		 <p data-bbox="954 687 1267 719">M4 Collision 14/12/15</p>  <p data-bbox="954 1246 1267 1278">M4 Collision 22/11/15</p>	

No.	Recommendation	Status	Target date
16 cont		 <p data-bbox="954 655 1285 687">A40 Collision 06/11/15</p> <p data-bbox="954 730 1711 836">A set of screens have been provided for North Wales (primarily the A55) – but as yet no incident to warrant their use has occurred.</p> <p data-bbox="954 879 1099 911">April 2016</p> <p data-bbox="954 954 1711 1203">As previous, incident screens are in place for both NMWTRA and SWTRA areas. However, no incidents have warranted their use since the last update. The extension of the South Wales Traffic Officer service to J49 of the M4 will likely increase the incident screen utilisation for incidents in the congested Swansea/Port Talbot area.</p> <p data-bbox="954 1246 1137 1278">August 2016</p> <p data-bbox="954 1321 1756 1426">Incident screens deployed once in south Wales since last update. There are now a total of 4 sets in south Wales ready for use (Ynysforan, Pencoed, Coryton and</p>	

No.	Recommendation	Status	Target date
16 cont		Malpas), 1 set in north (Alltami) and a further set due for deployment by September in Conwy.	
17	<p>The Committee recommends the WG engages with road users and their representative organisations to better understand and address concerns about communication and co-ordination of local road works and management of incidents.</p> <p>Oct 2015</p> <p>The Committee wishes to receive further details on how the Welsh Government intends to engage further with road users and clarification on the implication that you intend putting in place arrangements to replicate the work of Transport Focus in England.</p>	<p>WG will engage further with road user representative organisations. We will also review the role of Transport Focus in England and monitor its outcomes and will implement them as appropriate, by the end of the current financial year.</p> <p>Oct 2015</p> <p>The traffic Wales service is being used to provide further proactive works information (A55 tunnel refurbishment as an example) and maintain an information line, email and twitter accounts to provide engagement with road users in line with the original recommendations. There will be on going engagement with users, passengers and characteristic groups through a number of means such as the Public Transport Users' Advisory Panel.</p>	Complete
18	<p>The Committee recommends that WG improves its communication and co-ordination with Highways England regarding road works and schemes that have an impact on both sides of the border and ensure information is made available to the public.</p> <p>Oct 2015</p>	<p>WG officials will develop existing relationships with the Dept of Transport and Highways England to ensure there is an effective communication FW to co-ordinate cross border transport matters. Relationships will be developed via existing forums at which WG presence has been restricted of late. Officials will also ensure attendance at specific area based cross border meetings and at scheme specific meetings. Any information will be placed in the public domain.</p> <p>Oct 2015</p>	Complete

No.	Recommendation	Status	Target date
18 cont	The Committee wishes to learn as to why the Welsh Government's presence at the exiting forums has been restricted of late.	Officials have been and will continue to meet with officials from other organisations to plan and coordinate works. Attendance at forums is assessed for relevance and value for money.	