Ken Skates AS/MS Gweinidog yr Economi, Trafnidiaeth a Gogledd Cymru Minister for Economy, Transport and North Wales



Russell George MS Chair, Economy, Infrastructure & Skills Committee

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12 August 2020

Dear Russell

Thank you for the opportunity to respond to the evidence you took on 18 June on the effects of the coronavirus pandemic on public transport and to set out our position on the issues below:

Recovery phase and bus funding

We have already provided a £29m package of support for bus operators, including community transport, through a bus hardship fund to allow them to continue to deliver services. This is in addition to the grants and financial support available through Business Wales and UK Government schemes, such as the JRS.

On 2 July the Deputy Minister for Economy and Transport announced that Wales' bus industry will be funded through a new Bus Emergency Scheme (BES). The Bus Emergency Scheme will be introduced in phases and will deliver a more integrated and flexible network to match supply to demand, flexi services, and allocate any additional funding. This emergency funding, currently maintained at historic levels, will be for an initial period of three months and will provide financial assistance to the bus industry to keep buses moving across Wales.

BES will provide an operating subsidy in lieu of lost revenue due to COVID-19 and significantly reduced vehicle passenger carrying capacity due to social distancing. As well as addressing emergency short term needs, the agreement underpinning the BES is intended to signal the beginning of a lasting partnership between operators and public bodies to enable a reshaping of Wales' bus network, supporting the management and interaction across transport modes including smart ticketing, unified routeing, and integrated timetabling.

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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.

Operators will work with local authorities and Transport for Wales to determine the initial routes and frequencies that operators should deliver within the available funding. In agreeing these bus service levels, it will be necessary to consider the following:

- how best to serve key workers (including but not limited to NHS staff);
- how best to support economic activity as the economy restarts;
- the capacity of the Operators' buses considering reduced service patterns and compliance with social distancing guidelines; and
- accommodating any staff shortages Operators are facing.

Going forward, the Welsh Government, supported by Transport for Wales, will design a new funding scheme in collaboration with local authorities and bus operators which will include a fair and consistent approach to fares, building patronage, and agreement to the principles of an Economic Contract and a Social Charter. This approach will enable us to work in partnership to improve services for passengers, including cleanliness, reliability and safety and security, which will all be critical during the recovery period while we work together to secure an efficient, sustainable, and robust bus network for the future.

I understand that members of the Confederation of Passenger Transport (CPT), including Nigel Winter of Stagecoach, met with the Deputy Minister for Economy and Transport on 8 July to discuss the BES in further detail.

Face coverings

Following the First Minister's announcement of 13 July regarding changes to the 2m physical distancing duty, the Welsh Government has published additional guidance for public transport operators about additional mitigations they should consider in order to minimise the risk of transmission of coronavirus when it is difficult or not possible to maintain 2 metres physical distancing: https://gov.wales/restarting-public-transport-guidance-operators

To help reduce the risk of transmission while on public transport where it is not always possible to maintain a 2m physical distance, it is now mandatory for people to wear a face covering while travelling on public transport.

We hope that these measures will be of some assistance in allowing operators to increase the effective capacity of their vehicles as demand for public transport begins to return. We will be working closely with bus operators, local authorities and Transport for Wales to gradually reinstate local bus services, which have been reduced as a result of the Covid 19 pandemic.

We will continue to work collaboratively with industry partners to ensure passengers are aware of our advice on the use of face coverings.

Taxis and private hire

We are very aware of the concerns of taxi and private hire vehicle drivers resulting from the Covid 19 pandemic and have been in discussion with Shared Regulatory Services, the WLGA and the All Wales Licensing Expert Panel with regard to finding solutions to these issues. However, Welsh Government currently has no direction powers with regard to taxis and private hire vehicles (PHV), under the new emergency legislation or existing taxi/PHV legislation. The current legislation (that applies to England and Wales) provides that the decision to licence a driver, vehicle, or operator lies with the local authority.

There are a number of relevant safety and testing standards that are applicable to protective screens to ensure that they are suitable and safe for use. These standards ensure that

screens do not pose a risk of injury to the driver or passengers, either in situ or in the event of a collision; they ensure that screens are constructed of suitable materials, are not flammable; do not impede the driver's vision; and make certain that installation does not compromise the vehicle's integrated safety mechanisms such as side air bags etc.

Screens that are not tested or correctly installed could pose a number of serious risks to both the driver and passengers, so it is important that their protection continues to be at the heart of our guidelines. Vehicle safety is a reserved matter and we cannot contravene that legislation. The Department for Transport recently released the following statement and as a result, Welsh Government has updated our <u>Taxi Trade Advice</u> to reflect the national position:

'The installation of protective barriers or safety screens is a decision for licensing authorities, PHV operators and firm/individual operating the vehicle to make based on their own assessment of risk.'

It should be noted that all newly manufactured vehicles have achieved European Whole Vehicle Type Approval following comprehensive safety testing. Changing or adding to the interior of the vehicle can potentially alter the 'type approval' of the vehicle. The Driver & Vehicle Standards Agency's (DVSA) Vehicle Approvals Technical Team have indicated that, if the vehicle has been approved then the temporary fitment of partitions would not invalidate that approval, if the vehicle was registered. It is important to note, whilst adaptations are permitted, this does not mean that it is safe for the passengers. We are therefore only reflecting on the installation of safety screens on a temporary basis.

The decision whether to allow the installation lies with the local authority. This puts local authorities in a difficult position as to weighing up the risk between driver and passengers potentially contracting Covid-19 and the possible safety risks posed by the installation of a screen. It is likely that in the current climate, many of the companies installing safety screens will not be able to provide documented assurances to the safety concerns outlined above. Without which, the local authority will find it difficult to make a decision on whether a screen is safe, and the local authority may be liable in the event of driver or passenger being injured as a result of a unsafe screen they had approved.

Local authorities across England and Wales are taking various approaches to this matter, ranging from not allowing any temporary screens that do not have all of the required safety documentation, to allowing temporary screens to be installed but not actually approving them, so that the liability for the safety lies with vehicle proprietor. All of the different approaches raise a number of questions around risk, driver and passenger safety and the legalities around liability.

Licensing Authorities feel that they do not have the technical expertise, particularly in the absence of formal safety documentation, to adequately assess the suitability and safety of temporary screens. Therefore, in order to provide some assistance to local authorities I wrote to the UK's Secretary of State for Transport to request that the Vehicle Safety Standards Unit provide some practical guidance to local authorities that would assist them in their decision making in the current climate. I received a response from Rt Hon Grant Shapps, Secretary of State for Transport dated 17 June 2020. Unfortunately, his response has failed to address my request in relation to providing local authorities with practical guidelines to assess the suitability of safety screens.

In the meantime, officers have liaised with the DfT and DVSA and are continuing to work with the WLGA and local authorities to attempt to find a common approach.

With regards to your query regarding financial assistance for the fitting of screens, this matter would require further consideration as it depends on a number of factors such as an investigation into the national availability of companies that are able to professionally install safety screens that meet all of the necessary safety standards. Due to the present Covid-19 restrictions our understanding is that there are not many of screen installation companies currently operating in the UK and demand is likely to be very high, which could lead to substantial delay. Further investigation would also be required to evaluate the cost and practical benefits of this approach, as the effectiveness of screens against the transmission of COVID-19 is yet unknown, and as previously stated the installation of screens could only be on a temporary basis otherwise the vehicle type approval would be required.

Temporarily amending the taxi and PHV licensing legislation in relation to protective screens is not considered necessary. The current legislation already provides local authorities with the necessary powers to consider the use of temporary safety screens in licensed vehicles. What is required is a set of national guidelines from UK Government, as outlined above, which would assist local authorities in determining the suitability of such installations, and would provide for a more consistent approach across Wales.

Cardiff Airport

COVID-19 has brought unprecedented changes to Aviation industry businesses, including Cardiff Airport, which has resulted in the airport needing to revisit its entire funding strategy. Crudely that means the idea of a further £6.8m tranche is out of date and needs to be subsumed into a broader consideration.

Officials are working with the Airport to understand what the new funding requirements are likely to be and how it is most effectively provided. This will include any necessary regulatory expenditure which is a reserved matter and determined by central government. Further to the work we are doing with the airport, we have also called upon the UK government to do more to support the aviation industry (in particular regional airports) to recover from the impact of the pandemic. One of the areas that we have asked for action on is with the disproportionate cost burdens of maintaining the regulatory requirements for safety and security. It is disappointing that we are yet to see any specific support from UK government in this area.

Confidence in public transport and a shift to car travel

The measures we have introduced to minimise the risk of transmission of the virus on public transport should help the industry to restart services and give the public the confidence to use public transport. This will also help to stem any shift to private car use or to stop any car use as an alternative to public transport from becoming an embedded behaviour in the longer therm.

In the meantime, we are still encouraging people to use public transport only for essential journeys and to continue to work from home if possible. This is in order to continue to minimise the risk of transmission of the virus and to help manage demand on public transport on the short term while services restart.

Holyhead

The UK Government has announced a £705m funding package to help manage Britain's borders following Brexit. Our understanding is that this funding is available to ports across the UK and so will be available to all Welsh ports, should they need support to build additional infrastructure where they can or, as seems likely at Holyhead for example, should they need customs facilities to be built inland.

Recent discussions with the DfT around the support towards Holyhead to Dublin route have been constructive and officials have now agreed principles to strengthen the current operational position and agree for further intervention if the route were to near the point of failure in line with what has been agreed for NI-GB routes. However, we accept that the financial support is helpful but not generous, and designed to mitigate a short term problem, rather than look at the sustained financial and economic implications that will arise in the medium to long term.

That is why we are pressing the UK Government to ensure that they now focus on the role of our sea ports in supporting a swift economic recovery, including consideration of how their operations can be strengthened to mitigate the longer term effects of financial losses, loan arrangements etc.

There are substantial investment and growth opportunities for the Holyhead port in particular, including the proposed multi-purpose berth at Salt Island and we are keen to resume discussions with Stena about these proposals. Officials are seeking further clarity from UK Government following the recent phased controls announcement for border checks and what proposals are being considered for Holyhead.

I trust that you will find this information useful.

Yours sincerely

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