Inquiry into Enterprise and Business
IPT31.

Inquiry into Integrated Public Transport

Evidence from Professor Stuart Cole CBE,
Wales Transport Research Centre,
University of Glamorgan

NAfW IntegPublicTrans brief Oct 2012 v5

CYNULLIAD CENEDLAETHOL CYMRU
PWLLGOR MENTER A BUSNES
YMCHWILIAD I DRAFNIDIAETH GYHOEDDUS INTEGREDIG TACHWEDD 2012

NATIONAL ASSEMBLY FOR WALES
ENTERPRISE AND BUSINESS COMMITTEE
INTEGRATED PUBLIC TRANSPORT INQUIRY NOVEMBER 2012

Papur Ymgynghorol gan Yr Athro Stuart Cole CBE, Athro Emeritus mewn Trafnidiaeth, Canolfan Ymchwil Trafnidiaeth Cymru, Prifysgol Cymru

Briefing paper by Professor Stuart Cole CBE, Emeritus Professor of Transport, Wales Transport Research Centre, University of Glamorgan

OVERVIEW

This paper responds to the primary issues raised by the Committee in its call for evidence. Each of the key issues is covered in turn. But first, the extent of the evidence is outlined.

There has been considerable discussion about an integrated transport policy; but what does it mean and what does it have to integrate?

Logistics and supply chain management facilitates operational freight integration to achieve commercial objectives and the most efficient means of moving good

There is no similar framework on the passenger side where there exists four policy and operational aspects to integrate (although only (1) and (2) concern this call for evidence:

1. Integration within and between different types of transport - better and easier interchange between car/bus/rail etc. with better information on services and availability of integrated tickets. The same applies between public and private transport, between motorised and non-motorised (walking, cycling) transport and within public transport

2. Integration with land use planning - to reduce the need for travel and to ensure new developments can be reached by public transport. This includes existing and

planned future land development such as housing, leisure / sport / entertainment, retail shopping and commercial / industrial employment.

3. Integration with the environment - considering the effect of transport policies on the environment and selecting the most environmentally friendly solution whenever possible.

4. Integration with policies on social welfare, education, health and wealth-creation so that cross-cutting policies on issues such as social inclusion, school travel, cycling and walking, and the profitability of business work together rather than against each other.

INTEGRATION WITH LAND USE PLANNING

The integration of transport and land use forms the basis of further analysis of the integration of the modes of transport. Land use represents the activities of the travelling public and is therefore the underlying reason for people movement. It is the public's need to move between home and work, employment education and entertainment which create traffic and public transport use.

It is important therefore to consider the planning control regime operated by local authorities thorough the Local Development Plans (LDP) currently being considered and the development control procedures (popularly referred to as 'planning permission') for all future construction.

Often new housing developments or shopping centres in particular those out of town) are built with little or no consideration for public transport use. For example, the Parc Trostre and Parc Pemberton shopping developments in Llanelli had, but after considerable pressure bus priority and bus operations which made them public transport accessible.

More recently four proposed housing sites in Cardiff comprising between then 20,000 houses are adjacent to the M4 Motorway and therefore well suited for those for whom that is the primary route. However the LDP inspector's review has to contain a requirement to provide under a Section 106 agreement, public transport links into Cardiff centre. These could include a busway leading into the A48 bus priority provision; new park and ride facilities at Lisvane and Llanishen; reopening of the Fairwater to Creigiau railway line (for which most of the formation remains) with appropriate sized park and ride parking areas to match the expected demand.

While on one side the local authority has housing targets which it is trying to achieve and developers are of course intent on maximising the financial returns from the scheme, the need to move people efficiently and sustainably must also be achieved. Many housing developments on the wedge of Cardiff and a variety of developments along the M4 have not had public transport conditions imposed on their creation. In consequence the residents or employees in these areas have no practical option but to use their cars.

But this is not only a task for local authority planners and developers. The investment required for effective public transport will often involve several organisations – Welsh Government; bus operators; train operating companies; Network Rail (please see section on Governance below)

Having set out the need to consider how public transport may be integrated with land use, this paper turns to the main theme of the inquiry – the integration of the different modes of public transport - bus, rail and taxi and their supplying organisations but including public transport's link to the motor car in shared mode journeys.

INTEGRATION WITHIN / BETWEEN PUBLIC TRANSPORT MODES

Rationale

The key objective of integrated public transport for Wales would be to provide for a split between accessible and affordable modes of travel which are both sustainable and become the preferred modes of travel. The indications that integration has produced benefits are:

- Information is comprehensive, clear and easy to find at main terminals or interchanges and en route
- An ease of interchange between car /cycle /walking and public transport so that it is seamless
- Seamless ticketing with interchangeable and through tickets
- Reductions in journey times through investment in railway track (more capacity / more frequent trains / faster possibly electric trains) and in bus priority (bus lanes / own reserved roadways / guided busways)
- Newer vehicles and investment in stations and bus waiting facilities to improve passenger experience
- Sustainable (environmental) travel increases through reduction in motor car use
- Sustainable (financial) through an increase in demand and therefore revenue
- Sustainable (public subsidy) achieving improved services at lower or the same cost
- Sustainable (national resources) through wasted people and vehicle time and fuel resulting from road congestion

However, Wales has a variety of spatial characteristics:

- densely populated urban areas (e.g. Cardiff, Newport, Merthyr, Ebbw Vale, Swansea, Wrexham),
- major towns (e.g. Neath, Port Talbot, Llanelli, Aberystwyth, Llandudno)
- important rural centres (e.g. Carmarthen, Haverfordwest, Castell Newydd Emlyn, Llandeilo, Brecon, Newtown, Ruthin, Denbigh)
- Deep rural Wales (e.g. Ceredigion, Powys, Gwynedd).

The potential for transfer to public transport therefore varies between urban and rural areas.

These differences can be narrowed though a radical new approach to rural bus services. Regular-interval fixed-timetable operations suit urban areas with high patronage levels but have only limited value in rural areas. The Bwcabus computer/satellite/GPS and flexible scheduling bus system responds to demand and has enabled a radical and successful (in increased patronage terms) approach to rural public transport.

Generally there is a need for improvements in the public transport system before car users can be persuaded to change, and non-car owners are able, to make reasonably timed and priced journeys.

Its current powers provide the Welsh Government / National Assembly with a national role only in roads, with a further role in road/rail transport through its links with local authorities. This severely limits its ability to balance investment between the best solutions to transport problems.

Elements

The analysis for this inquiry is confined to passenger transport and therefore of primary concern to this inquiry will be aspects (1) and (2) above.

Then the elements identified below can be integrated (with a trade-off in expenditure between them based on a single multi-modal evaluation technique). The elements are:-

- road investment
- rail investment (infrastructure, rolling stock)
- bus investment (terminals and vehicles)
- public transport interchanges
- walking/cycling facilities investment
- traffic management (physical and fiscal)

• public transport fare levels	)	and consequent
• public transport service level	)	contractual payments

4I's CONCEPT

The 4I's concept identified the following as the integration equation for passenger transport:

Information + **I**nterchange + **I**nvestment + **I**magination = **I**ntegration.

The other basic factor in providing an enjoyable traveller experience is ***easy. Easy*** is probably the most significant objective in integrated public transport.

The needs of Welsh travellers be they regular commuters, or visitors to Wales, is the foundation of the 4I's concept. It was derived by the author as the basis of the English Tourist Board's public transport desires to provide an easy way to maximise the traveller experience. Very little has changed in the needs of the traveller.

The absence of any of these elements will hinder or even prevent the development of an integrated passenger transport system. Both the rationale for and the means to the delivery of, integrated public transport, together with and an explanation of competitive franchising, are to be found in Appendix 1

Information

Real Time is a fundamental characteristic of public transport information. This tells the traveller when the bus / train they are awaiting will arrive - is it on time, late, cancelled?

This enables them to make decisions on waiting. The Great Britain on platform information is a good example. As is the dot matrix screens in for example at Cardiff and in some other counties. What is helpful in giving the departure times is the electronic version of the timetable. But this is not helpful when in real time the bus is late and has disappeared from the screen as in Swansea bus station. Otherwise this facility is to be held as the standard sought

Visitors, particularly those coming from overseas, need to know more than simply how to undertake the first stage of their journey. They need to know how to travel beyond any given intermediate transfer point and on to their chosen destination - the Dutch refer to this as trip chain management through the Planner Plus information system. Each mode of transport can provide information about its services, such as the National Rail Enquiry Service, airport hotlines, as well as coach and bus timetables and route planners.

Traveline Cymru has been a major step forward over the last ten years since the **Information Needs of the Independent Traveller** study completed by the Wales Transport Research Centre for the Welsh Assembly Government in 2003. It has multi modal information but needs to develop that aspect of its system. There is a tendency to provide bus information in preference to train information for the same route. As taxis are also a form of public transport this information needs to be comprehensive as in rural areas and in urban areas at certain times taxis are the only public transport available. It provides information for those with mobility problems

In addition the Traveline call centre is able to register and book travellers into the Bwcabus system who have arrived in the Bwcabus zone from outside.

Train and bus operators have low budgets (£20m p.a. on rail advertising, £2.5m pa on Traveline) available to promote these modes when compared with car manufacturers (£480m p.a.). This lack of advertising has had an adverse effect on demand and quality perception. The majority of the public may also perceive car travel costs as being only petrol and possibly parking charges and subsequently have little appreciation of the true costs of motoring, and the relative costs of train/bus options.

Currently, the pricing structure of rail tickets (where the cheapest fares can only be booked in advance) penalises both tourists making last-minute plans as well as those not aware that tickets bought on the day of travel are more expensive. Greater information needs to be made available here with a simplified, easier to understand fare structure for the railways.

Public Transport Information - Recommended Actions

For successful public transport integration the following have to be achieved:-

- Train, bus and coach times and taxi telephone numbers, and fares, as the primary needs (air/ferry information is also identified). Rail information is well provided for by the NRES telephone and internet services and on individual train operating company web sites. A form of standardisation of the site interrogation process would be useful.
- Fares structure is complex and information clarity does vary; _
- Bus information available locally varies considerably in quality but when available is usually good. Traveline Cymru provides a telephone and online service and has achieved the "Planner Plus" level of local bus information

- Timetables are difficult to read and not lit at bus stops and railway/bus stations. In too many instances the timetables or other information is out of date or often not there. Two local authorities who provide good practice examples are Carmarthenshire (a rural county) and Cardiff (but please see Cardiff Public Transport Hub). Other authorities also have good standards. Many do not.
- Signage At or outside bus/rail stations is in general poor and at best average. Full clear signage does not exist at too many locations e.g. from Cydweli rail station to the town and castle.
- Passengers do not all have electronic sources during their journeys and therefore signage and information in hard copy format gives reassurance that the route, direction e.g. between rail and bus stops or to a retail / tourist destination is correct
- Railway station on-platform information on buses, taxis, routes to telephone, and village/town centre is improving
- Connecting services bus/rail are often uncoordinated in terms of information and interchange point signage
- There is a need for travellers to have their own pre-information on locations. More training in route geography for call centre staff was identified
- Printed versions of through travel information.
- Although not an information issue, a lack of left luggage facilities was criticised compared with other EU member states. The security issue was dismissed by most travellers

(Appendix 1- a commentary on specific locations)

Interchange

High quality seamless interchange facilities are an essential requirement to match the convenience of private vehicles. Particular attention needs to be paid to the ease of ticketing arrangements e.g. tickets that allow travel on different types of transport, and the physical environment of interchanges.

- Ticketing - The ability to purchase tickets for the entire journey, across all transport modes, needs to be improved, without introducing complex pricing structures that become a disincentive to travel.
- Attractions ticketing - In addition, the case for issuing tickets allowing a discounted price for entry to certain attractions is an added incentive to use public transport.
- Multi-ride tickets – Some excellent products giving ***easy*** travel and inter-modal journeys have been developed (E.g. *Explore Wales Pass* (national, south, mid / north Wales bus and rail travel); *West*

Wales Rover, Capital Card (poorly advertised), *Cymru Connect* and *Plus Bus.* The Welsh Government is rightly testing the *All Wales Public Transport Entitlement Card (Cerdyn Cymru* is easier) at present. Its extension nationally for all bus and rail journeys (with regional, local, modal and priced options) must be a priority. The financial mechanisms are in place through *the Over 60's Bus Pass,* so this is not an obstacle. Bus companies will accept the passes / tickets for commercial reasons but a means of ensuring they take past has to be achieved. Recently, a major company, Arriva Buses Wales have withdrawn from a voluntary reciprocal joint ticketing arrangement with Richard Bros in Aberaeron, whereby both operators would accept each other's cash return tickets on commonly operated section of route. Arriva Buses also asked for an increase in the price of the West Wales Rover and Red Rover earlier this year. Unless the membership of joint ticketing schemes or 'rover' tickets is comprehensive, a resultant gap in services covered would make such a ticket very limited in market terms and confusing to the traveller.

- Physical environment - Tourists, usually with luggage, require ease and comfort when changing between transport modes; otherwise it will be difficult to persuade people of the benefits of using public transport. In order to make interchanges attractive and user-friendly, there is a need to provide for ease of movement; luggage storage facilities; secure parking for cycles, cars and motorcycles; undercover links; short walking distances; well-maintained facilities; and personal safety and security.

- Timetables which enable passengers to easily make connections without long intervals. This is more easily achieved in urban areas that rural areas as the former have more frequent services. Too often services with low frequencies (e.g. every one or two hours miss one another by minutes or where the interchange time is too short.

- Clear signage between different modes. This is essential where the two modes (usually bus and train) are not physically next to one another or it is not clear which is the easiest route the traveller or where there is a multi-stand bus facility exactly which stand the connecting bus is on. For travellers moving from bus to train that departure platform information is considerably better

Many visitors have luggage; they may well have young children with them or could be impaired in terms of their mobility due to age or physical disability. The ease with which they can change between modes from train to bus or taxi will be critical to determining their experience of public transport and whether they would wish to use it again.

Criteria for physical interchange

Studies into traveller needs have suggested the following criteria for seamless, high quality interchanges:-

- Clear, comprehensive information on the interchange characteristics.
- Ease of movement (particularly for those with heavy luggage or young children).
- Secure parking for cycles, cars and motorcycles.
- Undercover links between modes.
- Clear directional signs, between modes and to local destinations (e.g. town centre, hotels).
- Short walking distances.
- Good timetable displays.
- Well maintained infrastructure, clean toilets, etc.
- Personal security.
- Left luggage facilities
- Car-hire provision.

Action has to be taken to implement these policies so providing seamless interchange between train, bus and taxi. As with many policies their success lies in the positive impact on traveller convenience

(Appendix 2 – examples of good interchange practice and required improvements)

Investment

On the strategic level the achievement of traveller's requirements - the prerequisite to inducing modal change - is through funding and organisation of change.

There is a general recognition that changes in personal commitment are the real key to achieving more sustainable mobility. Changing personal behaviour is not easy particularly when motor car advertising is twenty-four times that of railway expenditure. Blaming the government (whether Welsh or UK or European) is a familiar excuse, in that it might be argued that public awareness of the public transport options is its responsibility. Making the train or bus more attractive requires investment. Sometimes investment in both buses and trains and in waiting facilities is needed to smarten up the image and the service quality and change the travelling public's perception.

Often, because of long term under-investment, a more radical and more expensive expenditure programme is needed. This applies particularly to infrastructure and en route facilities such as bus shelters and smaller railway stations.

The argument that as the transport industry is in the private sector then public funding should not be forthcoming is now recognised as unrealistic and the product of political dogma rather than rational thought. Public funding on a large scale is however the answer to improved quality and reliability; but in a business context where a financial commitment has been made over a longer term

The primary means of affecting modal split in the short term is through attracting more passengers out of their cars and onto public transport. The opportunities to reduce leisure journeys are few; some opportunities exist for some people to work from home on say one day a week but service providers and production workers, by the very nature of their jobs, are excluded.

Imagination

There is often a lack of vision in the transport industry in relation to integration. Many of the operators come up with new innovative ideas to increase demand. New innovations such as Bwcabus and TrawsCymru come from Welsh Government transport advisors and academics.

But more imagination is required. This is not about considering the unthinkable; more it is about considering the un-thought about. Current operations take the lead in keeping the business financially sustainable. But too often also, the hi-tech solution is so much more exciting that simple low technology options are forgotten – sigh posts; paper notices; low tech destination boards but combined with real time and internet based information. Both are an essential part of the information trail for passengers

HOW WELL IS PUBLIC TRANSPORT INTEGRATED IN WALES

There is limited integration of public transport in Wales and indeed in Great Britain as a whole except London.

In Northern Ireland where there is a totally different regime coordination is provided for and all services are owned and regulated by Translink, a function of the Government of Northern Ireland and the operations are fully integrated.

In London Transport for London (TfL) is the only sole public body responsible for all public transport in the UK capital – bus, Underground, Overground, all other heavy rail services (jointly with DfT), taxis and water buses. It owns all bus stations and garages, Underground stations and depots, taxi ranks and hackney cab centre, and riverboat piers.

All buses operations are franchised to private bus companies by TfL (including First, Arriva and Stagecoach who operate in Wales) and vehicles are specified (and in some cases owned by TfL and leased to companies) in terms of type Euro emission level. This includes a requirement that all buses are in London Transport red with only the operators name and registration details allowed to vary. Timetables, routes, interchange facilities and route and infrastructure planning are carried out by TfL. This is the model fully integrated public transport network. The franchising parallels in branding terms those of e.g. MacDonald's, Holiday Inn, Marks and Spencer transport fleet

This is not the case in Wales. There is a variation in the level of integration but the rationale cannot be clearly identified. It is not a reflection of size of town or of rural versus urban public transport. Many towns in Wales have for example particularly good interchange facilities. (Appendix 2)

QUALITY BUS PARTNERSHIPS (QBP) AND QUALITY BUS CONTRACTS (QBC)

Definition

The Transport Act 2000 (as amended by Transport Act 2008) enables Welsh local authorities to "make" Statutory Quality Bus Partnership Schemes (SQBP's). SQBP's essentially establish minimum quality standards for local bus services operating in the area covered by the Scheme. Standards could include frequencies, hours of operation, type and age of vehicles, common dates for timetable changes, branding / marketing, fares and ticketing and infrastructure improvements.

The office of the Traffic Commissioner will play a key role in 'policing' the system by ensuring that registrations from bus operators are only accepted if they meet the minimum service requirements as specified in the Scheme. This system continues to ensure a competitive 'on road' supply of bus services, whilst introducing a more stable environment for the passenger.

The Transport Act 2000 makes it clear that local authorities will play a key role in "making" Schemes; however the Welsh Assembly Government may be a co-signatory if the Scheme covers a significant stretch of designated Trunk Road. Few of these Schemes have been introduced in Wales to date, with the exception of those introduced to protect investment on the longer distance TrawsCymru network.

The Transport Act 2008 enables local authorities to establish Quality Contract's where the local authority contracts out a package of local bus services to a set specification. 'On the road' competition is replaced by 'competition for the contract'. There is the assumption that local authorities will only seek these powers if the SQBP approach does not work or deliver their transport objectives. Officials would need to check if the provisions of the 2008 Act have been activated in Wales. No QCS have been implemented yet, although West Yorkshire Integrated Transport Authority (WYPRE) is at present assessing such a Scheme.

Currently only county council’s in Wales may “make” a QBP/QBC. They may not be made by the Welsh Government a regional Consortium or even a Joint Transport Authority (as provided in the Transport (Wales) Act 2006). This provides a further argument for primary legislation in the Westminster Parliament or powers over bus regulation transferred to the National Assembly.

Review of progress

Deregulation of the bus market followed the discredited Transport Act 1985. The then UK government set out the concept (which remains the basis) that the free market would provide the necessary bus services and that the public sector would ‘subsidise’ what was left of the bus network. Unfortunately rather a lot was left but ironically, London, the biggest bus market in Britain, was to be operated through franchised operations integrated by Transport for London.

The Transport Act 2008 following representations from bus company organisations not to extend the London franchising model to other areas of Great Britain provided a compromise where routes or networks could by agreement with bus companies have standards of reliability, frequency, vehicle quality and other elements set up a QBP. This would not be compulsory and all bus companies need not sign up. Those who did not might then have a lower cost advantage over those who did. The only penalty is the prohibition of such an operator from facilities such As bus stops and bus stations.

Sweden or Denmark (like Wales are amongst the smaller countries of Europe) can provide pointers to the benefits of a real partnership between the Welsh Government regional consortia / local authorities and the bus companies.

If a Partnership did not work, a QBC might be set up. West Yorkshire has embarked on this process recently.

A newly available statutory framework called Quality Bus Contracts will, according to a West Yorkshire PTE report, bring considerable benefits from integrated ticketing, with better reliability, market and network stability, a clear and stable pricing structure and public sector provision of route infrastructure such as bus stop information and bus priority schemes. WYPTE have made the point that bus companies perceive the change as a threat but with declining patronage and passenger dissatisfaction with some though by no means all services, quality has to be a key answer.

This will lead to increased passenger numbers and enhance the revenue stream of bus operators of all sizes.

British bus companies have long campaigned against a London-style franchising system which exists in many European city regions and on Britain’s railways

Many small and medium sized bus companies however see this form of supply side competition for service provision as providing them with a less risky revenue stream than demand side competition especially with larger companies. Even with the harsh realities of public sector expenditure cuts changing this balance, revenue flows can be protected through expansion of the bus market

Neither of these options achieves the full benefits of a franchising arrangement for all routes.

(Appendix 3 - Competitive franchising in Wales – an alternative framework for competition)

Note: Members will recall a Measure passed by all parties in the National Assembly. Introduced by Mr Huw Lewis AM, it was intended to deconstruct the demand-side free-market (some have referred to free-for-all) competition introduced by the Transport Act 1985, and replace it with supply side competition. This puts the operation of routes or networks (groups of routes) into a franchising context.

.**NETWORK RAIL**

The establishment of a Network Rail Cymru - Wales route and the appointment of a Head of Planning and Development Cymru – Wales has moved the railways division of public transport into a position where working with the Welsh Government becomes more cohesive and linked into the Governments aspirations and priorities for the railway network in Wales. Scotland already had the equivalent of a Network Rail national office.

LEGAL POLICY AND ADMINISTRATIVE / DELIVERY OBSTACLES

There is a major obstacle to public transport which is legislative. The Transport Act 1985 deregulated bus operations in Great Britain. There is a general view that this was a move to far in believing that the ‘market can provide’ the level of service needed in all areas and at all times of the day when there is a demand. The bus industry would not agree with this criticism because the present system provides for two separate networks which local authorities try to join into one for the travelling public. There are profitable routes or parts of routes / at particular times of day generally between 07.00 and 19.00 Monday to Saturday in densely populated urban areas. There are unprofitable operations in rural areas, at early morning and late evening and on Sundays. The age profile of the fleet is also affected by the market place approach. Most bus companies expect a financial margin of 13% - 15% on turnover; Cardiff Bus and Newport Bus require a rate 5% 0n turnover. This enables those operators to receive a low percentage of their income from subsidy (excluding concessionary fares income which is derived from a separate Welsh Government policy objective.

Under the terms of the Act bus companies make their own decisions on which routes to register as commercial. They alone make decisions on those operations. Any tendered services are of course subject to the contractual arrangements between the transport authority and the bus companies. Thus there is no requirement on bus companies to integrate tickets and timetables between themselves or with other operators despite their being members of the same overall group. The commercial advantage is the reason for most bus companies taking part on the Over 60’s travel pass, the West Wales Rover or the national bus and rail Freedom of Wales Flexipass. The alternatives are set out below under steps to improve integration.

As an interim measure prior to bus franchising the use of quality bus partnerships and quality bus contracts would assist considerably in improving vehicle standards and bring closer operational integration between transport companies.

(Appendix 4 – Governance Structure for integrated public transport)

APPENDICIES

APPENDIX 1

INFORMATION AT SPECIFIC LOCATIONS - COMMENTARY

Cardiff Railway Station

- New information point is centrally sited but opens only from 08.30 to 17.00. There is no bus information or timetables available outside these times Many passengers travel outside these times; in particular those sport, retail and business travellers who are important to Cardiff's economic prosperity. Rail information is good with maps, timetables for all services
- Bus information is less than adequate. The bus information side is staffed but there are no Cardiff area bus maps or timetables available. Cardiff City Council produce a high quality bus map annually but it can be found in the…public library
- The route posters at Cardiff Bus Station (the responsibility of Cardiff City Council) are dated January **2011.** In consequence many new services have begun (e.g. T4 to Newtown) and not shown, some have relocated and no reference is made to the bus box. The information is inaccurate and / or incomplete'. It hardly makes bus travel ***easy.***
- Interchange in formation between bus and rail is poor. A non-real time screen shows buses departing from the bus station but does not show bus box services.
- The signage from the station to 'bus box' services is non-existent
- These are the main inadequacies ; the seamless interchange journey is nowhere near *easy*
- Bus stop stand location information is poor. Cardiff City Council has planned information screens for some time. This is in contrast to the rail information in the booking hall of Central Station

Swansea

- Good information on buses services at the bus station; no rail information
- Bus stop information is provided by one bus company who cannot expect to be responsible for other operators information. This has been the case since an earlier survey (2006) but no action has been taken
- Good rail information at the railway station. A screen shows departures (not real time) and indicates the bus stop to be used. But only one out of four bus stops is shown on the signage.

Without this level of information an integrated public transport system will not be achieved.

APPENDIX 2

INTERCHANGE PRACTICE

Examples of good interchange practice

- In rural Carmarthenshire and Ceredigion **the Bwcabus network** feds into trunk services using a sophisticated GPS/route planning/booking system. This enables a journey to be *seamless* between say Capel Iwan a small deep rural village via a hub on service 460 to Carmarthen and onwards from the bus or railway station to other local services or onto Cardiff, London or Paris
- **Caerphilly** bus station is located on a level with railway platforms adjacent to one another. There is good signage and easy interchange for those with mobility constraints, the elderly or those with luggage, buggies or small children
- **Carmarthen** railway station is directly connected to the bus station and the town centre by a bridge over the Tywi River. It is well signposted. Buses stop outside the rail station and operate to the bus station providing a useful interchange link. **Brecon** Bus Station has traditional waiting facilities but has a high level of integrated timetables partly because Powys contract out most of the routes and Stagecoach a major operator in the area have a commercial view of integrated timetables
- **Swansea** Bus Station is a state of the art facility with good quality interchange by bus (please see intermodal facilities below)
- **Rhyl** – good quality NEW at grade bus / rail interchange; good signage and information
- **Aberystwyth** – the rebuilt bus station is at grade with and adjacent to the railway station and taxi area
- **Llandrindod** – good quality local maps; train / bus timetables lit and under cover; take away rail timetables but not bus (a T4 service timetable of the same size as a railway timetable is available); bus interchange timings require minor changes

Examples of locations which require improvement

- **Carmarthen**. When the TrawsCymru Carmarthen - Aberystwyth service is able to proceed, investment in information and a bus canopy will be introduced. A covered bridge between the two terminals would have been more appropriate to maximise the traveller experience. At present the service operated by Arriva Buses Cymru (under its Cymru Express has either tight or extended connections. There are also other issues in relation to this service.

- **Cardiff** Public Transport Hub has to have a fully integrated bus, car, cycle and rail design and requires a high quality interchange to rank with on a lesser scale, Kings Cross, London and Amsterdam Bijlmer and nearer home, Swansea. The bus element would be best sited at the front of the railway station connected seamlessly through a mall to Cardiff Central railway station, and developed commercially as a state of the art facility. Whichever of the two options is chosen there is also a need to connect them physically under the railway station to the proposed developments on Callaghan Square to create a St David's 3 business district. It is unfortunate that the bus area development at the hub appears to have a lower priority than the new office and convention centre plans. It is hoped that public transport access to the new centre will be a prime determinant of its location. Much may be learned from the public transport provision at the Berlin Philharmonic Hall
- **Swansea** has a new bus station seen as one of the better designs in Europe and a refurbished brand new look railway station and linking the two (unfortunately a mile apart) is a high frequency set of bus routes. While the Metro is well signposted, the many other-routes stop is not and the full departure screen is not sufficiently in view. These minor changes at the railway station would significantly improve interchange information between high quality facilities not least the electric train service in 2018.
- The redesign of **Merthyr** bus flows and bus station location has to make for ease of modal interchange and serve the retail area and town centre redevelopment plans.
- **Abergavenny** where the bus and rail stations are a considerable distance apart, signage is limited and the plan for bus access to the railway station has again been delayed
- **Llanelli** – the bus station is adjacent to the shopping centre and section 106 requirement on the developers would have provided a first class bus station with full covering integrated into the high quality shopping and cultural centre; it serves the out of town shopping centres; frequency of connections to the railway station however require considerable improvement.
- **Newport** bus station is currently being rebuilt. However it still remains a considerable walking distance from the railway station which is disappointing. The redevelopment of the city centre would have been an opportunity to make the bus station interchange with rail being a key part of the plan. There are likely to be long periods when reconstruction takes place which will increase inconvenience for passengers.

Information is generally better provided as suggested in the review above. This is particularly the case with timetables (bus and rail) and rail and National Express booking and advanced booking. Bus travel is largely as ‘turn up and go’ arrangement and to some local train services (e.g. Valley Lines).

Many counties e.g. Carmarthenshire or Cardiff provide high quality bus stop information on differing basis. Some counties are at the other end of the spectrum. Most lie in between and the level of integration defined by the 4 I’s has been dependent on local authority approach or priority given to public transport.

Integration within public transport will be limited therefore if the 4I’s are not present.

APPENDIX 3

COMPETITIVE FRANCHISING IN WALES – AN ALTERNATIVE FRAMEWORK FOR BUS COMPETITION

Deficiencies in the current arrangements

The current provisions could be argued to have the following deficiencies**:**

- any subsidised service is prevented from competing with a commercial service
- but commercial services are generally cherry picked
- bus companies choose to operate profitable sections / times / days
- non-profitable sections or times of day and Sundays are subsidised by county councils
- the inability to cross subsidise means that counties' expenditure is increased

The Consequences

Damaging consequences to passenger services and the travelling experience and easy of travel have frequently followed from the ‘free market provides’ philosophy of the 1985 Act

- instability in the market (no control of timetable changes)
- unfair competition against Welsh SME companies by international, national and large regional bus operators more able to spread the risks of a contestable market
- domination of the market by such companies and groups with reduced opportunities for Welsh SMEs
- no coordination of timetables

- no cross subsidy

The fact that the implementation of part of the Welsh Government's National Transport Plan, the trans-Wales coach service known as TrawsCymru (on its T1 Aberystwyth – Carmarthen route), can be prevented provides an example of the unfortunate consequences of the current arrangements. These arrangements are supported only by the bus companies for whom they provide higher profits.

The Solution

Bus Franchising

The principles set out in this paper are based on recognition of the failure of private control of the bus industry to achieve certain key objectives. However private ownership of the bus companies, but operating in a government-run competitive franchising context, has been shown to work well in London. In this paper it is argued that that an opportunity has arisen in Wales to tender bus services so as to test the operational and financial aspects of a public transport system outside the London context.

Franchising therefore provides the best of both worlds:

- public control and service-specification
- private operation of the services

It recognises that a free market is unsuitable for surface public transport operations because:

- they are unlikely to meet key objectives such as social inclusion, reduction in congestion and environmental sustainability
- the real competitor is not often bus or rail companies but the motor car, a factor that is clearly not recognised by the current competition legislation emanating from both the UK Government and the European Commission
- It is difficult to combine the profit motive (a reasonable objective within a mixed economy in appropriate circumstances) and the public service objectives referred to above.

Competitive Franchising in Wales – an alternative framework for competition
A Competitive Franchising System

The objectives of such a system would be in line with those of competition legislation

- enabling bus services to be provided in a competitive market
- reducing operating costs and revenue support levels
- making bus operations more demand-sensitive
- improving value for money
- preventing large companies from dominating the market

Such objectives could be achieved within a competitive framework while reducing the instability referred to above. The franchises would be issued by the Welsh Government or a local transport authority – the regional consortium, a JTA - which would also be the coordination and subsidy authority for a route, group of routes, travel corridor or small area. This is similar to Transport for London bus route / network tendering and the Great Britain railway franchising process. This is closer to commercial retail franchising than to deregulation, and its adoption suggests that there are variations between the two which could provide a better competitive framework than the one currently in use.

Competitive franchising will prevent a return of the pre 1930s situation when there were many operators' no multi-operator tickets, constant changes in timetables, together with confusion and inconvenience for the passenger. In the present state of the bus passenger market and given the presence of the car as an alternative (unlike the 1920's) many passengers are likely to change modes. Competitive franchising will take competition *off* the roads and instead establish pre-operational (supply-side) competition under the aegis of the franchising authority.

A form of competitive franchising can meet many of the operation and financial problems inherent in the current competition-based approach established by the 1985 Transport Act. It would:-

- allow competition;
- provide a more secure market for restructuring bus service provision;
- prevent instability
- enable the retention of the county councils' co-ordinating function, and the continuity of timetables and regular operations;
- provide value for money;
- take competition off the roads, but allow its full value to be realised through the franchising process;
- enable a phased introduction of its proposals;
- allow alternative forms of competitive franchising to be pursued;
- allow for an integrated bus network;
- enable the subsidising authority to predict its subsidy expenditure more accurately;
- Achieve efficiency without the existence of an unstable market.

Characteristics of a Competitive Franchising System

1. Routes would be specified by the franchising authority and tenders invited from potential operators. Such routes might be profitable or unprofitable.
2. The operator awarded the contract would not have to face subsequent competition on the routes specified during the contract period.
3. The franchise would be granted on the basis of the lowest subsidy requirement for a specified group of services. (An alternative would be to allocate a specified amount of money for the service package and award the contract to the operator providing the highest service level.)
4. The subsidy would be awarded for the whole of the contract period.
5. The contract period would be three to five years. The minimum period would be determined by the operators' requirements to make a reasonable return on investment and the maximum period would allow for competitive re-advertising sufficiently frequently to encourage the contractor to provide the quality of service required by the passenger and the franchising authority.

6. The right to develop subsidiary interests such as vehicle maintenance, advertising etc. as profit-making functions would be assured.
7. An operational plan and financial forecasts would be provided at the application stage. Performance could then be monitored against this plan.
8. Assets such as buses and garages, as well as employees, could be transferred from an operator losing a contract to the newly contracted operator at the end of the franchise period. This would provide further encouragement for a higher quality of capital equipment to be included in an operator's investment programme.
9. All revenue and profit together with the agreed subsidy figure could be retained by the operator in a shire-county franchising arrangement. Alternatively the present Transport for London (TfL) process could be used. TfL receives all fares revenue and the operator receives an agreed sum for running the services.

The size of each franchised operation would be small enough to enable companies of varying size to compete, so achieving a particular objective of the 1985 Transport Act.

Such a system of competitive franchising has features in common with that currently operated by the Department for Transport (previously the SRA) for rail services. It has also been accepted as a suitable method for London's buses and has already been shown to be a workable framework for competition and subsidy. In the free competitive market it is a common means of selecting operators for food retailing outlets. This parallel with the highly competitive and profitable franchised operations used by familiar high street companies such as MacDonald's (fast food retailing) or Holiday Inn and Marriott (hotels) suggests that it is suitable for the competitive aspects of bus operations.

It would achieve the benefits of competition whilst providing greater stability and co-ordination of services. Such a scheme has wide support amongst a variety of organisations in Wales but also in England and Scotland.

Competition in public transport is accepted as a valuable means of achieving better defined value for money from bus subsidies and the alternative outlined here is essentially about the detailed implementation of a competitive scheme.

The passenger railway has been franchised as a part of the privatisation of train services. Considerable discussion took place on the form of privatisation and the belief was that network benefits (e.g. integrated timetables and tickets interchangeable between companies) could only be achieved if a franchising authority (OPRAF, then the SRA and now the Rail Directorate DfT) was in place.

The TrawsCymru Network

This can be seen in the national long-distance bus network in Wales (previously branded loosely as Traws Cambria but now being developed as the TrawsCymru, a brand registered by the Welsh Government).

TrawsCymru is intended (in the author's view) under the National Transport Plan to be franchised to several operators by the Welsh Government. There are new routes which as an integrated whole cannot be provided individually. Under the tendering process the public transport authority (Welsh Government) would maintain controls over the quality of service offered through the strategy and brand values it determined. Tenderers would have to comply with all operational, safety, maintenance and financial requirements either under the public service vehicle licensing arrangements (controlled by the Traffic Commissioners) or under the terms of the TrawsCymru franchise contacts.

Following the awarding of the new rail franchise in 2018 (or earlier if the present contractor agrees) the long distance bus (TrawsCymru) and rail (Rail Cymru) routes would be marketed as an integral part of the Wales public transport network. Standard fares would be charged and all of the following would be accepted: "travelcards" such as the National Flexipass; concessionary passes; the national public transport entitlement card as specified in the National Transport Plan (Pass Cymru); all other similar tickets valid on Wales' buses. Contractors would be required to brand their vehicles to the public as operating a service on behalf of the Welsh Government.

This process is very different from the current approach under the 1985 Transport Act and the Competition Act whereby market forces determine the network, with competitive tendering restricted to loss-making services only. Rather it follows the 'London technique' which takes competition firmly *off* the road and keeps it as a supply-side competitive tendering process.

The advantages of this will be continuity of service, integrated services and standard fares, but achieved at a lower cost than either direct ownership by the public sector (other than at arms-length not-for-dividend options) or the present mix of market-led profitable 'cherry-picked' routes with subsidised loss-making services.

APPENDIX 4

GOVERNANCE STRUCTURE

The preferred structure to achieve such integration nationally, regionally or locally has (in the author's view) two prerequisites:-

a. A single policy and budgetary authority at the strategic (geographic) level both national and regional. This would also be the co-ordinating body for all modes of public transport

.

b. Co-ordinating bodies at operational level to achieve seamless interchange between modes, within modes, and between modes and land uses/human activities. This relates to physical interface and the provision of through ticketing.

While services in (b) may be provided by contractors, provisions in (a) must involve a single body at the national and regional level carrying out both functions.

This is the role which the Transport (Wales) Act 2006 saw for the Joint Transport Authorities (JTA). The legislative provision is available and it is regrettable that Sewta (the voluntary consortium of local authorities) has not as yet been converted into a JTA for south east Wales (or the recently identified city region)

The elements of such a system exist in other member states of the European Union where high investment levels, together with policies for the co-ordination of services, fares and infrastructure developments, may be found in major centres as well as in local areas.

The Regional Councils of <u>France</u> have transport as a major policy issue with their responsibility covering local railway services (along with SNCF) and bus operations in the municipalities.

In <u>Sweden</u> regional public transport bodies run local bus and rail services in a country with extensive rural areas, a small population (8m) and a concentration of people in a small part of the total land area.

The <u>Netherlands</u> has a national ticketing system for local public transport (the Nationale Strippenkaart) and a national railway service but with provinces being responsible for stations and for all bus, rail and train-taxi services which may be directly operated by a government owned body or by a private company franchised by the appropriate local or national authority. Track operations are retained by the State-owned Railned.

In <u>Austria</u>, the Land (equivalent to the consortia areas) has responsibility within its area for all local public transport and land use planning. This is linked into a national policy for rail services. Joint ticketing exists on all services within the Land. Austrian Railways (a public sector body) retain operational control and ownership of the track.

The present writer's proposals for Wales would follow the above in many ways, but, would be taken further to the point where control and finance, policy and service provision (though not necessarily all operations) would be conducted by one national, and four associated regional, bodies (the Joint Transport Authorities) based on the geographical areas of the current transport consortia and county council groupings.

END