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Dear Llyr

## Transport for Wales and the Core Valley Lines Modernisation Project

Thank you for your letter of 19 June 2024 following the Committee's report on rail services and Transport for Wales performance. I note the Committee's request for me to consider whether the delivery of rail services and the Core Valleys Line modernisation project merits further scrutiny as part of my programme of value for money examinations. Our [Annual Plan 2024-25](#) already identifies an examination of issues relating to support for bus and rail services in the context of the National Transport Delivery Plan. We intend to progress detailed planning work during the autumn to determine the scope of the examination and the timescale for completion, although this work would run into 2025-26. I have asked colleagues to reflect on the issues raised by the Committee as they plan the work, although it would not necessarily be practical to wrap all of them into one examination. We will also look to engage with the Committee's clerking team/researchers to ensure we have a full understanding of the evidence underpinning the Committee's work and plans for any ongoing scrutiny. I am aware too of relevant evidence received previously by the UK Parliament's Welsh Affairs Committee.

My wider audit powers provide a basis for examining issues relating to the public funding flowing to, and through, Transport for Wales. For example, these powers are supporting work we are concluding on active travel, which I am aware is a topic that has also been of interest to your Committee as referenced in your recent report. However, because I am not the statutory external auditor of Transport for Wales for

the purpose of its accounts, we do not have the same line of sight or the same type of established relationships that exist for most other Welsh Government arm's length bodies. With plans for Transport for Wales to shortly be subject to the well-being duty under the Well-being of Future Generations (Wales) Act 2015, I will have specific duties to examine its application of the sustainable development principle. This is one consideration that will inform the scope of the examination I mention above. While we are still to discuss practical arrangements with Transport for Wales officers, we will also be looking to establish stronger ongoing relationships with the organisation and improve our understanding of its overall objectives, governance, and performance to better inform ongoing planning for work under the Act.

As with your original letter, I am copying this response to the Chair of the Public Accounts and Public Administration Committee to inform that Committee's consideration of the issues raised in your report. I will ensure we update both committees once the scope of our planned work is confirmed. Should you wish to meet personally in the meantime, I would be very happy to do so.

Yours sincerely



**ADRIAN CROMPTON**  
**Auditor General for Wales**