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Fy Nghyf / My Ref: CE:0075485
Dyddiad / Date: 25 June 2025

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

Annwy/ Dear Chair,

Re: Bus Services (Wales) Bill – Implications for Municipal Bus Companies

I am writing to express Cardiff Council's broad support for the Welsh Government's ambition to deliver a more strategic and integrated approach to bus services across Wales, as set out in the Bus Services (Wales) Bill currently under consideration by your Committee.

We fully support the principle of bus franchising and the need for a comprehensive, coordinated framework that ensures bus services are accessible, reliable, and sustainable. In Cardiff, buses are a vital part of our transport network supporting sustainable growth and reducing inequalities, and we are committed to working with partners to improve services for our residents and visitors.

However, I would like to raise concerns about the potential implications of the Bill for municipal bus companies, including Cardiff Bus. These companies are long-standing public assets that play a crucial role in delivering cost-effective, community-focused services. There is a risk that the current framing of the legislation could unintentionally undermine their viability and limit their ability to continue serving the public effectively. This poses a risk to market stability and service continuity. The investment in Cardiff Bus has been significant so there is a need to safeguard public value.

The Council is also concerned that the combination of uncertainty of the details of how and when the bus reform proposals will be delivered and funded may result in unintended consequences. The current proposal to franchise South East Wales in 2029 creates a further four years of uncertainty in the market. Bus operators are less likely to invest in their fleets and grow bus patronage. Some may withdraw from the market in Cardiff as a result. This would be a significant risk to providing cost-effective home to school travel. The proposal to cross-subsidise bus services across Wales from surplus bus revenue is a risk to the effectiveness of the bus network in Cardiff. Any such surplus in Cardiff will be needed to reinvest locally to support growth and make best use of the funds to grow patronage and make a significant contribution towards achieving the aims and objectives of the Wales Transport Strategy, Regional Transport Plan, Cardiff Local Development Plan, Cardiff Transport White Paper and One Planet Cardiff Strategy.

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GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



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The draft Bus Services (Wales) Bill and associated bus reform proposals do not include the flexibility needed to facilitate the range of options that may be required to deliver the most effective bus network. For example, it may be more effective for Cardiff to be the franchising authority within the Cardiff area. Such an arrangement could commit to being aligned to the national franchising standards whilst meeting the local needs of Cardiff with reduced risks to the market. The Bill also needs to provide the flexibility for enhanced partnerships and net cost contracts as options that may be appropriate to get best value depending on local circumstances.

We are therefore seeking your assurance that these issues have been fully considered and addressed in the Committee's scrutiny of the Bill. It is essential that the final legislative framework supports, rather than disadvantages, municipal operators and recognises their value in delivering high-quality public transport.

We would welcome the opportunity to meet with you to discuss this matter further and to hear your thoughts on how these concerns can be constructively resolved. I look forward to your response and to continuing our shared efforts to strengthen public transport across Wales.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Huw Thomas', written in a cursive style.

COUNCILLOR HUW THOMAS
LEADER
CARDIFF COUNCIL

CC: Ken Skates MS, Cabinet Secretary for Transport & North Wales