



Ein cyf/Our ref SF-EH-4231-14

William Graham AM
Chair, Enterprise and Business Committee
National Assembly for Wales

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Dear William

I am writing in response to actions which arose following my attendance at the Committee's meeting on 4 February.

Work is progressing to deploy smart ticketing technology on buses, focussed initially in the Metro area to provide a platform to facilitate roll out across Wales.

The current de-regulated environment of the Welsh bus industry poses a number of obstacles to integration. There is disparity between the fare structures and operating costs of individual companies, that will require mutual agreement if we are to reach the goal of a truly integrated system. There are also a range of different technologies that could deliver the physical integration of tickets. These, however, are subject to operator participation and overcoming various infrastructure and revenue implications with all the stakeholders, as well as the matter of collating the evidence from the different technologies to deliver a successful system.

Therefore, discussions are being undertaken with operators to identify the implications of each and reaching an agreement that delivers the long-term commercial and non commercial benefits of integration to passengers. The first phase of that work will provide a common payment mechanism through the use of pre-paid smartcards. Cards will initially be topped up on buses, with proposals to develop on-line and retail outlet provision to increase user choice and reduce bus boarding times.

Initial discussions have also taken place with a number of stakeholders to undertake a technical and operational pilot to ascertain the suitability of mobile

phone based ticketing. The proposed trial would involve bus and rail operators with a view to bridging the technical differences in their respective ticketing equipment. Discussions are also being held with Arriva Trains Wales with a view to trialling smartcard technology on rail services in the Conwy Valley.

The announcement of the national Youth Concessionary Fare Scheme in the draft budget for 2015-16 also provides an opportunity to utilise smartcard technology as proof of eligibility, with the facility to incorporate a stored payment facility that operators could utilise.

I would also like to set out the approach planned to ensure Welsh rail complies with Persons of Reduced Mobility – Technical Specification for Interoperability (PRM-TSI), and compliance with the Equality Act 2010. Functions in respect of PRM-TSI are not devolved to Welsh Ministers and it is the responsibility of train operating companies to ensure that rolling stock deployed in Wales after December 2019 is fully compliant with the regulations. In addition to the PRM-TSI, the Rail Vehicle Accessibility (Non-Interoperable Rail System) Regulations 2010 gives effect to the date of 2020 when accessibility changes need to be made.

Once executive responsibility for rail franchising is transferred to the Welsh Ministers, requirements imposed by section 149 of Equality 2010 will apply to the Welsh Ministers in the exercise of those functions:

“A public authority must, in the exercise of its functions, have due regard to the need to—

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it”.*

These duties will be enshrined in the work that we are undertaking to prepare for the delivery of the franchise from January 2017. I enclose a copy of the Technical Specification document which is subject to review and periodic update and a copy of the latest EU decision on PRM dated November 2014. On the matter of rolling stock, I expect to have information on proposals in place by the summer and detailed proposals by Christmas 2015. I will keep the Committee updated on progress with that work.

E dwina Hart