

Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Y Pwyllgor Menter a Busnes	Enterprise and Business Committee
Gwasanaethau Bysiau a Thrafnidiaeth Gymunedol yng Nghymru	Bus and Community Transport Services in Wales
BCT 20	BCT 20
Ffederasiwn y Busnesau Bach	Federation of Small Businesses

## Consultation questions

**Question 1** – how would you describe the current condition of the bus and community transport sectors in Wales?

Most evidence indicates that the quality of service provided by the Bus and Community Transport sectors in Wales is in relative decline, even as fares and levels of subsidy increase. Wales has also seen declining demand for bus services in the recent past.

See “A Fare Deal? Regulation and Financing of Bus Services in Wales” by Professor John Preston for Public Policy Institute Wales<sup>1</sup> for a comprehensive overview of the current state of the bus and community transport sectors in Wales.

FSB Wales members report dissatisfaction with the current provision of bus services which do not meet the needs of business in terms of provision, frequency and reliability.

**Question 2** – why do you think the number of bus services and the number of bus passengers is declining in Wales?

The number of bus trips per head has declined by 33% (adjusted for population growth) in Wales in the period 1985/6 to 2012/13. This has been accompanied by an increase in car use, particularly two car households and amongst retired households. The latter accompanies a broad increase in the number of retired households in Wales.

We have also seen fare increases in Wales during the same period of 33% with above inflation increases common<sup>2</sup> across the period.

A survey of FSB Wales members conducted in summer 2014 highlighted a lack of appropriate bus services at times which allowed business owners, staff or customers to use them. Comments were also received regarding bus stops being too far away, bus services being infrequent, unreliable and expensive.

<sup>1</sup> <http://ppiw.org.uk/files/2014/11/Regulation-and-Financing-of-Bus-Services.pdf>

<sup>2</sup> <http://www.walesonline.co.uk/business/business-opinion/how-public-fall-love-buses-10000521>

**Question 3 – what do you think is the social, economic and environmental impact of recent changes in bus and community transport service levels?**

Bus services have a key role to play in social and economic mobility across Wales, but particularly in rural areas; and in lowering vehicle based emissions, especially in our more urbanised areas.

Changes in the pattern of use and supply of bus services have the potential to significantly alter people's access to employment and services.

Previous responses to this committee by the FSB highlight members concerns with the state of Wales' transport network<sup>3</sup>, with 33% emphasising the need to lower public transport fares and 29% highlighting the need to improve public transport in rural areas. More specifically, 18 and 22% mention the need to improve bus and rail services respectively.

Based on the last Welsh Bus Passengers survey (2010) we can see that nearly a half of all bus users primarily use services for commuting to work or education. Changes in access to bus services will have a significant impact on those people who rely on bus transport as their primary means of transport. Second to commuting purposes comes "shopping", and we should recognise the importance of readily available public transport to town centres and businesses within town centres to ensuring their ongoing prosperity and success.

**Question 4 – what do you think the Welsh Government should do to support bus and community transport in Wales?**

The Welsh Government has invested significantly in bus and community transport in Wales, with subsidy levels for Welsh services at record levels. However, it is clear that the current approach is either not working, or having very little impact on reducing what appears to be a long running decline in demand for bus services in Wales.

Welsh Government should look to ways of creating a fully integrated transport system in Wales and in the absence of full regulatory powers, should explore innovative ways of supporting bus services in

<sup>3</sup> <http://www.fsb.org.uk/policy/rpu/wales/images/final%20integrated%20transport%20inquiry.pdf>

Wales. The Welsh Government should also work closely with Local Authorities to ensure that bus contracts include quality of service clauses for example. The Welsh Government should also establish Regional Transport Authorities to oversee travel across Wales' economic regions.

**Question 5** – what do you think Welsh local authorities should do to support bus and community transport services?

In the absence of bus registration and regulation powers, Welsh Local Authorities can and should outline greater standards for quality of service within bus contracts. Welsh Government could have a role in supporting and co-ordinating such action and ensuring standards of contracts across Wales.

**Question 6** – what do you think about proposals to devolve bus registration powers to Wales? How should these be used?

Bus registration power should be devolved to Wales in short order, and current wrangling over the shape of the next Wales Bill is worrying in this regard.

Bus registration powers will give Welsh Government scope to ensure quality of service provision on the Welsh network and may allow Welsh Government to explore alternative models of providing services in rural areas. It will also mean operators, who are currently heavily subsidised by Welsh Government, have far greater accountability to the WG and can be more directly required to pursue goals in line with Welsh Government policy.

However, FSB Wales supports the full devolution of bus regulation to Wales and believes the devolution of bus registration does not go far enough.

**Question 7** – please tell us whether you think further powers to regulate the bus industry in Wales are required and why?

Full powers to regulate Wales' bus industry should be devolved to Welsh Government. Welsh Government should be in a position to create a fully integrated public transport system for Wales, to encompass bus and rail travel.

Full devolution of powers over Welsh bus services would allow the Welsh Government to put in place bus quality contracts in Wales. Quality contracts would constitute a limited re-regulation of the bus

market and would move bus services closer to the franchise system used on the railways. The creation of a more regulated bus network could also increase scope for public transport integration via the use of contracts between Welsh Government/Local Authorities and bus companies.

**Question 8** – what other action can be taken to ensure that bus and community transport services meet the needs of people in Wales?

FSB Wales has called for the establishment of “Transport for Wales” to ensure a fully integrated Welsh transport system which assesses all new transport infrastructure on a new methodology. This methodology should give additional weighting to projects in rural areas and those which bring sustainable economic benefits. We believe such an approach would result in more effective investment in bus and community transport initiatives.

Please tell us anything else you would like to mention this topic, thank you for contributing to our inquiry.