

Enterprise and Business Committee
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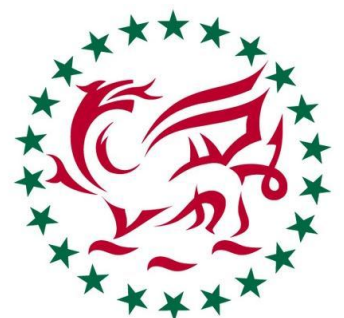
Inquiry into Integrated Public Transport

Evidence from WLGA



NAFW INQUIRY INTO INTEGRATED TRANSPORT

November 2012



WLGA • CLILC

INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities, the three fire and rescue authorities, and four police authorities are associate members.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. The WLGA welcomes this opportunity to contribute to the Enterprise and Business Committee's inquiry into integrated transport. Comments are offered below in relation to the key issues that have been suggested.

How can the integration of rail, bus and community transport services in Wales be supported and improved to meet the needs of communities and businesses in both rural and urban Wales?

4. There are a number of areas that would need to be addressed to support and improve integration in ways that better meet the needs of urban and rural communities and businesses, as follows:
 - **Adequate resourcing for transport planning and delivery at the regional level**
5. The Regional Transport Plans produced by the four Regional Transport Consortia set the framework for transport planning in their areas. Public and community transport is part of this framework. The current RTP period comes to an end in 2014/15 so any recommendations arising from this inquiry will be able to feed into guidance for the next planning period.
6. One of the proposals of the current Bus Funding Review is that the grant regime for funding bus services and community transport will be administered by the Regional Transport Consortia. This is a potentially important step, encouraging a strategic approach to the management and development of services. However, the budget is to be reduced by 25%. Meanwhile, there has also been a decline in the RTC budgets for capital schemes from around £21m in 2010/11 to a forecast £13.5m in 2014/15. This

raises serious questions as to whether the objective of developing a more integrated network can be met – as well as trying to meet other objectives such as better services, improved accessibility, increased patronage, enhanced reliability and improved environmental performance.

- **Longer term funding commitments**

7. The current system of annual budget setting restricts the ability of local government and RTCs to plan service provision and implement long term integrated public transport measures. The ability of operators to change services with 56 days' notice does not help in this respect either and can undermine plans to improve integration, marketing or frequencies.

- **Willingness to revisit deregulation**

8. Even if resources were not an issue, though, deregulation of the market for bus services in 1986 and privatisation of the rail network in mid 1990s has made it very difficult for local authorities to encourage operators to operate in an integrated way. The ability to influence areas such as timetabling is largely limited to those geographic areas that are not served by commercial services. However, this significant barrier to integration is based in legislation which would need to be amended if it is to be overcome.

- **Greater recognition of long term transport plan implications of service redesign, new policies and new developments**

9. When services, new policies or major investments are being designed, future transport implications and options need to be investigated more fully. Elimination of unnecessary car journeys should be at the top of the hierarchy, with access via active travel and integrated public and community transport promoted in preference to dependence on car-based journeys. This should become commonplace as a result of the proposal that the Sustainable Development Bill will make SD the central organising principle of a wide range of public bodies (especially with the upward trend in oil prices). Accessibility mapping should be undertaken, especially for major trip generators such as health service and educational facilities. Decisions on routes, timings and service integration need to involve the right people – for example local health boards/primary care trusts need to have an input to the planning of transport services to health facilities. In the same vein, it might be possible to enhance budgets

for public transport through the active involvement of a range of bodies that stand to benefit from a quality, integrated service.

- **Better marketing**

10. Traveline Cymru provides travel information to users on rail, coach and bus travel through many different technologies including, now, mobile phone apps. This service relies on receiving up to date information from operators and local authorities. However, it does demonstrate the potential for a range of different operators and authorities to work successfully together to promote integrated public transport.

- **Planning to deal with demographic trends - ageing population**

11. The pressures on public and community transport are likely to continue with the ageing population trend – especially in light of the concessionary fares scheme. This should be a major driver for ensuring more integrated public transport across Wales. For rural areas, in particular, access to an integrated transport system is likely to become a vital lifeline in this respect.

How successful are Regional Transport Consortia in supporting the provision of effective, integrated public transport?

12. At present local authorities have a more direct influence over public transport than the RTCs as the funding to support services is channelled through them. However, proposals arising from the bus funding review and work on the 'Simpson Compact' could see this situation change. The bringing together of various different budgets for public transport and service planning at a regional level have the potential to lead to more integrated approaches. However, it will be less likely to succeed in the context of a decline in the overall level of funding available. There will also need to be changes from the Welsh Government in terms of reducing the variety of grants (all with different arrangements and subject to strict rules), synchronising the work of its different teams (bus, rail, highways) and achieving greater consistency in the way projects are selected and delivered.
13. The four RTCs in Wales have different governance arrangements with their constituent local authorities. They each have a small team of dedicated officers and rely heavily on officers within local authorities. The current arrangements are therefore a limiting factor for the RTCs. Budget pressures in individual local authorities may exacerbate

this in future years. On the other hand, new collaborative arrangements could see the RTCs grow and take on a greater role.

14. Regional Transport Plan committees/boards do involve representatives from public transport operators and users. These groups provide one way of sharing plans and improving co-ordination. However, the commercial sensitivity of some information and the fact that meetings are held in public limits this potential at present.

How effectively does Welsh Government policy support public transport integration?

15. There are numerous positive and welcome statements about integration in the Wales Transport Strategy (WTS) and, in particular, the National Transport Plan (NTP). Indeed integrating local transport is one of the five strategic priorities that underpin the WTS and NTP. The NTP makes the case for better integration at interchanges, for example between local bus services and railway stations, integrated ticketing, better provision for cyclists wanting to use public transport, use of park and ride to encourage modal switch and support for demand responsive transport such as Bwcabus. In most of these areas there are examples of good practice and progress.
16. If the current Bus Funding Review results in the grant funding for bus services and community transport being administered by the Regional Transport Consortia there will be opportunities to look at issues of integration in a strategic way for the whole region. This will mean looking at bus and rail integration and also at complementary changes in the development of the highways network. The fact that the budget for bus services is to be reduced by 25%, however, immediately limits the extent to which improvements in integration will be possible. Indeed the primary goal will be to try and protect existing services by driving out efficiencies: running to stand still. Therefore whilst policy might support integration in principle, funding levels are a vital determinant in practice. Likewise, the deregulated systems of bus operators works against the policy of integration, so there is inconsistency between policy and the legislative framework.

In particular, the Welsh Government is considering the establishment of Joint Transport Authorities in Wales, and the feasibility of operating the Wales and Borders rail franchise on a not-for-dividend basis. Additionally, the Minister for Local Government and Communities has indicated that he is considering the use of quality partnerships and contracts in delivery of bus services. How far would these proposals improve integrated public transport provision in Wales?

17. The establishment of JTAs would not by itself guarantee better integration. Indeed, much of the collaborative work currently being undertaken by local authorities to look at ways of integrating land use planning, economic development and transport at a regional level could be undermined by introducing another, separate player.
18. There would be substantial costs associated with establishing and operating Joint Transport Authorities and questions have to be asked about the ability to meet these costs in the financial and economic situation we face in the coming years. If the Welsh Government has funds available to establish JTAs, its justification for cutting bus funding by 25% no longer holds. Equally, if resources are available why put these into a body that would have to be set up from nothing rather than investing in the existing RTCs that do have a track record of successful collaboration across local authority areas? The current work in relation to the Highways Compact is progressing and will deliver collaboration in relation not only to Bus Funding but also wider passenger transport initiatives across Wales, building on the foundation that the RTCs have provided.
19. As part of the Bus Funding review, it has been proposed that quality outcomes will be developed against which services will be measured. These are likely to include many of the characteristics of Quality Contracts/Partnerships, such as whether there is a commercial discount for young people over 15 years old, whether operators work well with Traveline, how often timetables change, timetable coordination, integrated ticketing, smart cards, driver training, vehicle standards, engine standards. This will also provide an opportunity to develop outcomes relating to environmental considerations such as alternative and cleaner fuels. A number of these measures undoubtedly can contribute to integrated public transport – without the need for a JTA. A not-for-dividend rail operator could contribute positively to efforts to achieve social, economic and environmental goals.

What innovative approaches to delivery of public transport in Wales might be considered to improve integration?

20. Ensuring all policies are pointing in the same direction is not particularly innovative – but attempts at innovation are likely to flounder unless the ‘basics are right’. The deregulated system of bus operators inhibits integration because competition is the central organising principle. Quality Bus Contracts/Partnerships offers one way of attempting to overcome this, where local authorities and operators sign up to make improvements. Packaging of profitable and less profitable routes so there is a sharing of risks between operators and local authorities could form part of a quality partnership approach. However, QBPs and QBCs do not include the railways and links with rail connections clearly need to be part of an integrated approach
21. Ultimately, integration needs to form part of an overall set of measures to make alternatives to the car easier, quicker, more enjoyable and/or cheaper than the private car alternative. If the numbers of public transport passengers are increasing the scope for innovative solutions is likely to increase. Modal switch has proven historically very difficult to achieve, however, notwithstanding major improvements in comfort, reliability and environmental performance of public transport.
22. There are social, economic and environmental returns on investments in public transport and active travel that all need to be taken into account to help make the business case for innovative solutions. Reductions in congestion and lost business time, improvements in air quality and health, fewer accidents, increased labour mobility (especially at the lower paid end of the market), increased disposable income all contribute to public service objectives and economic growth in ways that effectively ‘justify’ the costs – although the investment is a ‘public good’ where ‘savings/benefits’ are not realisable in the form of a direct return.

How effectively do key stakeholders, particularly transport operators and public bodies, cooperate to ensure effective service delivery?

23. As highlighted above there is co-operation between councils, transport operators and services users via RTCs and the regional transport planning process. There has also been effective joint work recently between Welsh Government, local authorities and the operators in relation to the bus funding review and previously in relation to concessionary fares. The competitive basis of the deregulated market limits the amount of information sharing that takes place though. It is envisaged that future

quality outcomes associated with bus services could provide more robust measurement of bus operators' performance and effectiveness.

How can the creation of a Network Rail Wales devolved route support effective, integrated public transport in Wales?

24. Before the Wales devolved route was established there was a situation whereby the highways and local bus services in Wales were devolved responsibilities but railways were controlled almost exclusively from a number of different locations in England. It was always going to be difficult to achieve successful integration in such circumstances as priorities may not be the same. Now, with the devolved route a closer relationship can be developed between Network Rail and stakeholders in Wales, such that alignment of objectives and priorities should improve over time. It is important to note, though, that an important part of the rail infrastructure in North East Wales still remains in the North West route. The three main rail lines cross the border and as a result major investment programmes have to be discussed in two Network Rail regions.

What are the implications of the England and Wales High Level Output Specification and Statement of Funds Available for Control Period 5, published by the UK Government, for the development of integrated rail services in Wales?

25. The UK Government's strategy for CP5 is based on four priorities:
- to create of an electrified route linking core centres of population and economic activity
 - to increase capacity and accelerate journey times between key cities
 - to facilitate commuter travel into major urban areas, helping to expand the effective labour market, and helping people to access a wider range of jobs
 - to improve railway links to major ports and airports.
26. Projects being undertaken in relation to all of these have the potential to increase the attraction of using public transport, with increased importance attached to good integration between services. The first two priorities will see Cardiff and Swansea connected to the electrified network. The third priority is of particular significance in relation to the Valley lines of South East Wales where there is great potential to achieve modal shift as it should become far more convenient and quicker to catch a train than drive to key locations in the region. It relates loosely to the proposals for a South East Wales 'Metro' system as a way of stimulating the economy of the area

(where, importantly, the need for fully integrated ticketing and timetabling has been recognised). The fourth priority will see improved access from South Wales to Heathrow airport, again having the potential to generate a shift in the balance from car to rail journeys.

27. Looking ahead though, it is important not to lose sight of the needs of Mid and North Wales too. There is an opportunity to connect the North Wales coast to the HS2 network, with similar benefits in terms of developing integrated transport and the economy there too. Cross border issues are important too and for North Wales the need for better liaison with the authorities in North West England and the Midlands is a major issue.

What examples of good practice in public transport integration can be identified within Wales, more widely within the UK and internationally?

28. Integration of public transport is a process that has been described by the Centre for Cities as climbing the steps of a ladder. The bottom rungs involve the supply of comprehensive public transport information, co-ordination of timetables and creation of interchanges. Successively higher rungs involve integrated ticketing and fares, integration of public and private transport (e.g. via park and ride) and collaborative work between neighbouring local authorities. There are various examples throughout Wales of these lower steps of the ladder being reached (e.g. Traveline Cymru PT information; Swansea bus station, Caerphilly train/bus interchange; park and ride services in numerous local authority areas; collaborative work by Taith in North Wales on public transport services).
29. Moving higher still involves integration between, first, transport and land use planning and then with health, education, social care, education services etc. The WLGA's Regional Partnership Boards are starting to explore these issues whilst in a wider UK context the English city regions are too – with funding starting to be devolved from central government to the city regions as part of 'city deals', in return for achieving specified outcomes.
30. Sustainability is viewed as the top rung or highest level of integration. It requires a system that is economically, socially and environmentally robust, with an institutional framework that encourages joined-up government, with consistent high level goals across all service areas.

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