



Y Pwyllgor Menter a Busnes
Enterprise and Business Committee

Edwina Hart AM
Minister for Economy, Science and Transport
Welsh Government

5 August 2013

Dear Edwina

Budget Scrutiny 2014-15: Transport

In order to inform our budget scrutiny session on the transport part of your portfolio on 17 October, I thought it would be useful to set out some areas that we would like you to include in your budget paper.

Programme for Government commitments

The Committee would like to see:

- Details of the costs associated with Programme for Government commitments within your transport portfolio and/or any work being undertaken to assess such costs;
- Whether these commitments are deliverable within the available portfolio budget and details of any areas where affordability is a concern. Specifically, in the context of your recent statements, could you please provide details of which National Transport Plan commitments identified in December 2011 are at risk, and the basis on which those schemes that are to be delivered have been/will be prioritised; and
- Information relating to how the delivery of the commitments in your portfolio, and their associated outcomes will be monitored and evaluated to demonstrate value for money.

Provision for Legislation

We would like to see:

- The amounts and location in the 2014-15 draft transport budget of allocations for Welsh legislation that is currently being passed or is planned in the legislative programme and likely to impact in the 2014-15 financial year, in particular the *Active Travel (Wales) Bill*;
- Given that two Departments are now involved in the delivery of the *Active Travel (Wales) Bill* and wider active travel policy, how delivery of the Bill and policy will be co-ordinated to ensure spending provides value for money; and
- The impact on the transport budget of any UK legislation in the portfolio area.

Preventative Spending

We are interested in considering preventative spending as part of our scrutiny of the Draft Budget 2014-15. The definition of preventative spending that is being adopted for this purpose is: *spending that focuses on preventing problems and eases future demand on services by intervening early, thereby delivering better outcomes and value for money.*

With this definition in mind we would like information on:

- The proportion of the transport budget allocated to preventative spending measures;
- Details of which specific policies or programmes in the transport portfolio are intended to be preventative; and
- How the value for money of such programmes is evaluated, with a particular focus on what the specific inputs and intended outcomes are.

Cardiff Airport

We would like to see:

- The amounts and location of any allocations relating to Cardiff Airport in the 2014-15 draft budget. In particular, we would like clarification of whether these form part of the transport budget or the economy and science budgets.
- Details of any provision in the 2014-15 budget for direct or indirect investment in the airport, for example airport infrastructure or route development, and the steps being taken to ensure that the Welsh Government's investment, both in the purchase of the airport and any future investment, provides value for money.

Road investment and the M4

We would like to see:

- The amount and location in the 2014-15 draft transport budget of any allocations related to proposals for a "major enhancement" of the M4 and

details of discussions held with the UK Government on the funding of any enhancement;

- Details of the steps being taken to ensure that investment in the M4 provides value for money; and
- Details of how and why investment in the M4 is being prioritised relative to road investment in other parts of Wales.

The next National and Regional Transport Planning Period

We would like to see:

- Details of how the effectiveness of the current National Transport Plan and Regional Transport Plans have been evaluated, and how this work will inform preparations for the next transport planning period after 2015;
- Details of the process by which both the next National and Regional Transport Plans will be developed; specifically how projects and interventions to be included will be identified, prioritised, monitored and evaluated, and the steps being taken to ensure that national and regional transport plans are co-ordinated to maximise value for money.

Bus and Community Transport Investment

We would like to see:

- The amount and location in the 2014-15 draft transport budget of funding provided for the bus and community transport sector, particularly the Regional Transport Services Grant and funding for concessionary travel;
- Details of the new funding agreement for the All-Wales Concessionary Fares Scheme from 1 April 2014-15, including the amount of funding and its location within the 2014-15 draft budget, as well as steps taken to evaluate the effectiveness of the previous agreement and the appropriateness of the priority currently given to the scheme;
- Details of how the Welsh Government has/will monitor and evaluate the effectiveness of the new Regional Transport Services Grant;
- Details of the basis for the statement that the Regional Transport Services Grant represents an “effective doubling” of funding for the community transport sector, and whether allocations in the 2014-15 draft budget will continue this level of funding;
- Details of the Welsh Government’s examination of the scope for multi-year funding for the community transport sector, and whether such arrangements will be implemented from 2014-15.

Budget Expenditure Line information

The Committee would like BEL level information to be provided.

Many thanks

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nick', with a horizontal line underneath.

Nick Ramsay AM
Chair, Enterprise and Business Committee