

Evidence from Cardiff Capital Region Transport Authority

Introduction

1. This response is being submitted by the Cardiff Capital Region Transport Authority (CCRTA), whose objectives are to connect communities, business, jobs, facilities and services in the area. The CCRTA is a sub-committee of the Cardiff Capital Region City Deal Cabinet and has been established to facilitate the City Deal by coordinating transport planning and investment across the region.
2. The development and integration of a new transport system plays a vital role in the economic transformation of the Cardiff Capital Region as it is essential for connecting communities and will enable individuals to travel. The improved transportation of the Capital Region can also bring potential opportunities to new areas for further economic development and expansion.
3. The CCRTA is chaired by the Leader of Bridgend County Borough Council and plays a key role in advising the CCR Cabinet on recommended strategies to achieve transport objectives within the region. It works closely with and supports local authorities in any transport-related collaboration and imparts transport expertise when needed.

Response to questions;

Whether the current governance, structure and funding of Transport for Wales are effective and transparent?

4. The governance structure of TfW is a particularly important feature as consideration is given to the potential for extending their role related to the management, procurement, delivery and support of transport infrastructure and services across Wales.
5. TfW has established a website which provides information about TfW, stating, "Transport for Wales exists to drive forward the Welsh Government's vision of a high quality, safe, integrated, affordable and accessible transport network that the people of Wales are proud of. Transport for Wales is key to delivering the Welsh Government's key themes as set out in Prosperity for All: The National Strategy."

6. The recent successful rail franchise procurement exercise is an excellent example of the need for, and benefits of, having an organisation that has the capacity and capability to deal with complex Wales-wide transport issues.
7. The integration of bus with rail, including coordination of services and ticketing solutions, will also require a Wales-wide approach by TfW, supported by the regions. This inevitably requires TfW to be set up to enable it to manage integrated ticketing and coordination on a continuing basis. The management of TrawsCymru and TravelineCymru must also be fully integrated with TfW.
8. The governance should therefore be appropriate to nationally significant transport issues and strategic implementation of Welsh Government Transport and Economic policy. Consequently, TfW should be fully accountable to National Assembly Members.
9. Whatever the extent of TfW's future powers and its management / delivery role, it will be dependent on funding and the level of resources that it has available will determine its ability to undertake the role effectively. It is noted that WG has agreed indicative five-year funding for TfW. This is critical for dealing with franchise arrangements and major projects and initiatives, and is a welcome step forward for transport funding in Wales.
10. This medium-term funding arrangement for transport has been advocated for regions and local authorities for a number of years, to no avail. The current annual round of grant funding where 22 local authorities have to prepare bids every year to compete for funding is inefficient and creates uncertainty. This inefficiency is further exacerbated by the fact that funding is limited to a financial year with no flexibility to carry forward funding.
11. Consequently;
 - Short term funding limits the ability to deliver long term programmes.
 - Short term funding prevents LAs and regions building and investing in core teams with capacity and capability to develop and deliver long term programmes.
 - Longer term funding would enable greater commitment to developing skills and investing in apprentices, graduates and to developing specialisms and facilitating career development and succession planning.

- Development of project pipelines would enable supply chain development and avoid the hiatus of work early in the year when work is being commissioned and tenders invited and the over-heating at the end of every financial year when pressure is on to avoid underspending.
- Regional Transport Plans should be used to develop a programme of transport interventions and agreed funding packages.
- LAs or RTAs with visibility and certainty of funding over a 5-year period can invest in developing skills and capacity, which have suffered due to funding cuts and uncertainty about future budgets. As an example; RCTCBC & CCBC are growing these areas to match the ambitious medium term funding commitments, including apprentices and graduate engineers and this has substantial benefits for the wider economy.

12. It has been publicly stated that the value of the 15 year new Wales and Borders rail franchise will be in the region of £5bn. However, in terms of transparency, it is not known how this money will be distributed and used to support the individual rail lines across Wales or what working arrangements will be in place with key partners/stakeholders for effective and successful delivery of transport improvements. Consequently, at the present time, any analysis of subsidy per rail passenger journey and value for money can only be done on an aggregate basis and not at a regional or local level. Greater financial transparency is therefore essential to understand the value of rail against other interventions such as bus.

What action should be taken to develop these aspects of the organisation? And what other governance models and good practice are available?

13. The emergence of TfW has implications for WG and LAs/RTAs.

- Clear *Roles and Responsibilities* need to be established for each party to eliminate duplication and to focus actions by any party on the area that can be most effectively delivered by that party. These roles are evolving and close working through the WLGA would be beneficial in crystallising responsibilities and accountabilities.

- A three tier governance model is emerging and this is further explored/expanded in the recent Transport White Paper where Joint Transport Authorities (JTAs) are proposed;
 - Tier 1 – Welsh Government (funding, policy, planning and legislation)
 - Tier 2 – TfW (implements Wales-wide commissioning of services and infrastructure, strategies and programmes and informs WG planning and policy development)
 - Tier 3 – JTAs (or LAs) develop and deliver regionally prioritised programmes and services, including commissioning bus services, managing the local highways network and active travel, against agreed indicative five-year funding from Welsh Government.
14. This inevitably means there must be constant coordination between WG, TfW and LAs, through regular working groups.
15. Decisions about highways and transport impact on every resident. Local authorities have well-established systems whereby locally elected Members represent the interests of their residents and governance arrangements ensure that Councils discuss and agree major strategic plans and budgets, 'call in' decisions and hold the Executive to account.
16. This is good practice, and if TfW is to become involved in delivery in ways that include work on behalf of, or previously undertaken by the local authorities, it will be important for them to respect such arrangements. Accountability to local authority and / or regional politicians will need to be considered, which may give rise to the need for local / regional authority involvement in the wider commissioning decision making.

The future role of Transport for Wales in delivering transport policy. What additional responsibilities should it take on and how should these integrate with the role of Welsh Government, local government and emerging regional transport authorities?

17. The recent transfer of powers from the DfT to the Welsh Government to re-let the Wales and Borders rail franchise has provided a new opportunity in terms of the devolution of rail transport procurement and provision within Wales. The aims and objectives of extending this devolution should be the

focus of the future duties of TfW, and needs to:

- Ensure greater integration of rail services with the local transport networks. In South East Wales, this should be demonstrated through TfW's involvement in the evolving development of the Metro, including delivery of a single fully integrated ticketing system for all rail and bus services in the Cardiff Capital Region.
- Ensure transport is an integral part of Spatial and Economic Development policies at a national, regional and local level.
- Provide an opportunity for greater investment in the rail and local transport network. Again, this should be demonstrated through the evolving development of the Metro, the transfer of Network Rail assets on the Core Valley Lines (CVL), the evolving development of the Metro including (including non-CVL routes) and closer working with and through the local highway authorities.
- Bring a greater local focus in the decision making process by devolving control. This must be embedded within the governance structure of TfW.

18. WG, through TfW, has the opportunity to drive transformational change in public transport on a Wales-wide level. The initial steps through the rail franchise are promising and the opportunity for a robust strategy for transport integration is emerging.

19. Transformation will not be delivered through efficiencies that may accrue through smarter purchasing or back-office arrangements, important though they may be, but through significant increases in investment in public transport.

20. TfW has the key role in providing WG/NAW with the compelling evidence to support such investment and, through emerging transport models, identifying the most effective solutions to acknowledged problems.

21. It would be premature to determine the full extent of the future role of TfW whilst the White Paper on Transport is under consideration, as the emergence of JTAs would provide a regional layer of capacity and capability that would be founded on the robust tried and tested governance arrangements and accountabilities already available at local authority level.

These will be strengthened with long term funding commitments.

22. Optimising the effectiveness of having a Wales-wide commissioning/delivery organisation in TFW, together with the regional presence of JTAs capable of delivery at a regional/local level, with appropriate accountabilities and coordination, would seem to offer many benefits over the present situation.