Public Document Pack

Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)

Contact Officer:
Jan Kelly 01352 702301
janet.kelly@flintshire.gov.uk

To: Cllr David Evans (Chair)

Councillors: Ray Hughes, Dan Rose, Richard Lloyd, Mel Buckley, Vicky Perfect, Mike Allport, Chris Dolphin, Ian Hodge, Roz Mansell, Mike Peers and Roy Wakelam

29 June 2022

Dear Sir/Madam

NOTICE OF HYBRID MEETING
ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE
TUESDAY, 5TH JULY, 2022 at 10.00 AM

Yours faithfully

Steven Goodrum
Democratic Services Manager

Please note: Attendance at this meeting is either in person in the Council Chamber, Flintshire County Council, County Hall, Mold, Flintshire or on a virtual basis.

The meeting will be live streamed onto the Council's website. The live streaming will stop when any confidential items are considered. A recording of the meeting will also be available, shortly after the meeting at https://flintshire.public-i.tv/core/portal/home

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

A G E N D A

1   APOLOGIES

Purpose: To receive any apologies.

2   DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

3   MINUTES (Pages 5 - 6)

Purpose: To confirm as a correct record the minutes of the meeting held on 7 June 2022.

4   FORWARD WORK PROGRAMME AND ACTION TRACKING (Pages 7 - 22)

Report of Environment Overview & Scrutiny Facilitator -

Purpose: To consider the Forward Work Programme of the Environment & Economy Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.

5   TERMS OF REFERENCE (Pages 23 - 38)

Report of Chief Officer (Governance) - Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources

Purpose: To consult on proposed changes to the Terms of Reference for the Committee.

6   END OF YEAR PERFORMANCE MONITORING REPORT (Pages 39 - 104)

Report of Chief Officer (Planning, Environment and Economy), Chief Officer (Streetscene and Transportation) - Cabinet Member for Climate Change and Economy, Cabinet Member for Planning, Public Health and Public Protection, Deputy Leader of the Council and Cabinet Member for Streetscene and the Regional Transport Strategy

Purpose: To review the levels of progress in the achievement of activities and performance levels as identified in the Council Plan.

7   FOOD SERVICE PLAN 2022-23 FOR FLINTSHIRE COUNTY COUNCIL
(Pages 105 - 150)

Report of Chief Officer (Planning, Environment and Economy) - Cabinet
Member for Planning, Public Health and Public Protection

Purpose: To seek approval of the Food Service Plan 2022-23

8   NORTH WALES REGIONAL ECONOMIC FRAMEWORK (Pages 151 - 180)

Report of Chief Officer (Planning, Environment and Economy) - Cabinet
Member for Climate Change and Economy

Purpose: To comment and support the endorsement of Welsh
Government's Regional Economic Framework (REF)

9   SHARED PROSPERITY FUND (Pages 181 - 188)

Report of Chief Officer (Planning, Environment and Economy) - Cabinet
Member for Climate Change and Economy

Purpose: To provide an update on the development of the programme
and the process to submit the Investment Strategy to UK
Government by 1 August 2022.

**10   WELSH GOVERNMENT'S CONSULTATION ON PROPOSALS FOR NEW
BUS LEGISLATION** (Pages 189 - 336)

Report of Chief Officer (Streetscene and Transportation) - Deputy Leader of
the Council and Cabinet Member for Streetscene and the Regional Transport
Strategy

Purpose: To advise Scrutiny on Welsh Government's consultation on
proposals for new bus legislation and Flintshire's proposed
response and seek comment from Committee.

11   RECYCLING BRING SITES (Pages 337 - 342)

Report of Chief Officer (Streetscene and Transportation) - Deputy Leader of
the Council and Cabinet Member for Streetscene and the Regional Transport
Strategy

Purpose: To consult with Scrutiny on the removal of the recycling Bring
Sites from across the County.

*Please note that there may be a 10 minute adjournment of this meeting if it
lasts longer than two hours*

This page is intentionally left blank

<u>**ENVIRONMENT AND ECONOMY OVERVIEW & SCRUTINY COMMITTEE**
7 JUNE 2022</u>

Minutes of the remote attendance meeting of the Environment and Economy Overview & Scrutiny Committee of Flintshire County Council held on Tuesday, 7 June 2022

<u>**PRESENT**</u>**: Councillor David Evans (Chair)**
Councillors: Mike Allport, Chris Dolphin, Mared Eastwood, Ian Hodge, Ray Hughes, Richard Lloyd, Vicky Perfect, Dan Rose, and Roy Wakelam

<u>**ALSO PRESENT**</u>**:** The following attended as observers:
Councillors: Sean Bibby, Christine Jones and David Healey

<u>**CONTRIBUTORS**</u>**:**
Councillor Dave Hughes (Deputy Leader of the Council and Cabinet Member for Streetscene and Transport Strategy), Chief Executive, Chief Officer (Planning, Environment & Economy), Chief Officer (Streetscene & Transportation), Head of Democratic Services

<u>**IN ATTENDANCE**</u>**:** Overview & Scrutiny Facilitator and Democratic Services Officer

1. <u>**APPOINTMENT OF CHAIR**</u>

    It had been confirmed at the Annual Meeting of the County Council that the Chair of the Committee should come from the Labour Group. The Committee was advised that Councillor David Evans had been appointed to this role for the municipal year.

    <u>**RESOLVED**</u>**:**

    That the appointment of Councillor David Evans as Chair of the Committee be noted.

2. <u>**APPOINTMENT OF VICE-CHAIR**</u>

    Councillor Chris Dolphin nominated Councillor Mike Allport as Vice-Chair of the Committee and this was seconded by Councillor Ian Hodge. There were no further nominations. On being put to the vote, this was carried.

    <u>**RESOLVED**</u>**:**

    That Councillor Mike Allport be appointed Vice-Chair of the Committee.

3. <u>**DECLARATIONS OF INTEREST**</u>

    None.

4.   **<u>MINUTES</u>**

The minutes of the meeting held on 8 February 2022 were approved, as moved and seconded by Councillors Vicky Perfect and David Evans.

<u>RESOLVED</u>:

That the minutes be approved as a correct record.

5.   **<u>MEMBERS OF THE PRESS IN ATTENDANCE</u>**

There were no members of the press or public in attendance.

(The meeting started at 10.00am and ended at 10.07am)

…………………………
Chair

CYNGOR
Sir y Fflint
Flintshire
COUNTY COUNCIL

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Tuesday, 5 July 2022
Report Subject	Forward Work Programme and Action Tracking
Report Author	Environment & Economy Overview & Scrutiny Facilitator
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Environment & Economy Overview & Scrutiny Committee.

The report also shows actions arising from previous meetings of the Environment & Economy Overview & Scrutiny Committee and the progress made in completing them. Any outstanding actions will be continued to be reported to the Committee as shown in Appendix 2.

Appendix 3 contains the suggestions for topics received from Members following a request from the Chair of the Committee Cllr. David Evans.

RECOMMENDATION	
1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Facilitator, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.
3	That the Committee notes the progress made in completing the outstanding actions.

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME AND ACTION TRACKING
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows: 1. Will the review contribute to the Council's priorities and/or objectives? 2. Is it an area of major change or risk? 3. Are there issues of concern in performance? 4. Is there new Government guidance of legislation? 5. Is it prompted by the work carried out by Regulators/Internal Audit? 6. Is the issue of public or Member concern?
1.03	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following a meeting of the Corporate Resources Overview & Scrutiny Committee in July 2018, it was recognised that there was a need to formalise such reporting back to Overview & Scrutiny Committees, as 'Matters Arising' was not an item which can feature on an agenda.
1.04	It was suggested that the 'Action tracking' approach be trialled for the Corporate Resources Overview & Scrutiny Committee. Following a successful trial, it was agreed to extend the approach to all Overview & Scrutiny Committees.
1.05	The Action Tracking details including an update on progress is attached at Appendix 2.
1.06	Following the elections in May, the Chair of the Committee, Cllr David Evans invited suggestions from Members for consideration for the Forward Work Programme, with a range of topics being proposed. Discussions are ongoing with the Chief Officers regarding the topics with an update to be provided at the next meeting. The suggestions received are attached at Appendix 3.

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	In some cases, action owners have been contacted to provide an update on their actions.

4.00	RISK MANAGEMENT
4.01	None as a result of this report.

5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme Appendix 2 – Action Tracking for the Environment & Economy OSC. Appendix 3 – Topic suggestions for the Forward Work Programme received from Members.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Minutes of previous meetings of the Committee as identified in Appendix 2. **Contact Officer:** Margaret Parry-Jones Overview & Scrutiny Facilitator **Telephone:** 01352 702427 **E-mail:** Margaret.parry-jones@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	**Improvement Plan:** the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

This page is intentionally left blank

Environment & Economy Overview & Scrutiny Forward Work Programme 2022/23

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
13 Sept 2022 **10.00 am**	An Introduction to the North Wales Economic Ambition Board & Quarterly report	Introduction to the Economic Ambition Board and quarterly update.	Performance monitoring	Chief Officer (Planning, Environment & Economy)	
	Standard landfill Site	To receive a progress report as requested by Cllr D Hutchinson	Update	Chief Officer (Planning, Environment & Economy)	
	Outcome of Statutory Training Audit	To receive the outcome report.	Audit Report	Chief Officer Streetscene & Transportation	
	Ash Die-back	To receive a progress report.	Performance monitoring	Chief Officer Streetscene & Transportation	

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME
APPENDIX 1

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
11 October 2022 10.00 am					
15 Nov 2022 10.00 am	Presentation by Land & Property Programme Manager – NWEAB – to be confirmed.	To receive an update on the Land & Property Programme		Facilitator	
13 Dec 2022 10.00 am					
10 Jan 2023 10.00 am					
7 Feb 2023 10.00 am					
7 March 2023 10.00 am					
18 April 2023 10.00 am					

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME
APPENDIX 1

Date of Meeting	Subject	Purpose of Report/Presentation	Scrutiny Focus	Responsible/Contact Officer	Submission Deadline
16 May 2023 **10.00 am**					
13 June 2023 **10.00 am**					
11 July 2023 **10.00 am**					

This page is intentionally left blank

Action tracking from Environment & Economy OSC June 2022

Item/Date	Discussion	Action	By whom	Status
Performance Report 08/06/21	The Chief Officer agreed to share results of the network review by Transport for Wales	Results to be shared when available.	Ruth Tulley	Ongoing
Town Centre Markets 06/07/21	That consideration be given to starting a market at Flint & Buckley	Interim response provided. Outcome to be shared with the Committee when available Email update circulated 1/2/22	Niall Waller	Ongoing
Minutes 14/09/21	Litter from food outlets	Update on Welsh Government initiative to be circulated when available	Gabby Povey	Ongoing – Awaiting on current position from WG
Grant Funding Application to Promote Repair and Reuse Initiatives	Regarding the Repair and re use Centre, Old HSBC building, Buckley - Ruth Tulley to share press release issued recently to all members with a view to members promoting the centre and call for skilled volunteers.	Share press release	Ruth Tulley	Completed
Bulky Waste Collections	Cllr Sean Bibby requested that the charge for a single item of £40 be reviewed under fees and charges. Member briefing note to be provided to all Members to make them aware of the Bulky Waste Collections report.	To be considered when fees & charges are reviewed. Briefing note to be circulated.	Katie Wilby/Ruth Tulley Ruth Tulley	This will form part of a wider review on waste strategy and fees/changes later in the year. Completed 29/03/2022

This page is intentionally left blank

Cllr Rosetta Dolphin	Parent Parking	I have been asked for Parent parking on Flintshire owned car parks, Home Bargains in Holywell was mentioned, but I think all of our car parks should have some parent parking.
Cllr Michelle Perfect	Electric Charging Points	The lack of car charging points (rapid / universal ones)
	Free Dog Waste Bags	Free dog waste bags attached to all dog waste bins may encourage dog owners to pick up after their pets.
Cllr Arnold Woolley	Climate Change	The steady rise in sea level due to Climate Change. Clearly it will impact on Flintshire in various ways over time. Study of potential areas at risk, potential damage, effective counter-measures and cost thereof, against Grants and Supportive Funds available all come into the frame, along with predictable and unpredictable time-frame overall.
	Weed Killer	The use of Round-up by FCC.
Cllr Arnold Woolley	Trees	The county's tree numbers, and canopy area declined somewhat in the 2000-2012 period. That eventually brought about the March 2018 "Urban Tree & Woodland Plan. Which sets out our approach to a steady increase in tree numbers up to 2033. It might be very useful if the committee puts on an Agenda Item to discuss progress and achievement against targets set out in the Plan. If such a scrutiny throws up that we have done well and improved matters, then good for us as it were and the public can be made aware of it. If it displays that we are not where the Plan says we should be in 2022, then that finding can be used as a spur to get the Plan back on track. To my mind, that is a win-win situation either way.
Cllr Hilary McGuill	HRC Rules - Trailers/vans etc	The rules for trailers at our recycle centres be looked at so that at least one site in Flintshire will accept a residents larger trailer and vehicle with a permit .At present there is a length restriction on both the vehicle/van/camper and trailer so a number of residents who use the tow hitch on their camper vans to pull a small trailer are denied access .
Cllr Carol Ellis	Grass Cutting	I think grass cutting needs looking at again.
	Parking Outside Schools	Along with Enforcement particularly outside Schools as there are not enough officers to provide adequate Enforcement across Flintshire.
Cllr Gina Maddison	Weeds	Weeds growing on roads between pavements and walls, people don't seem to be sure who is responsible.
Cllr Marion Bateman	Footpaths	My current Streetscene Chargehand and his predecessors, have put in requests for the footpath between Sychdyn and Northop, A5119, to be repaired and/or weeded. I am talking at least 8 years. Very occasionally weedkiller is sprayed along the worst sections. This makes the road look even more untidy as the weeds turn from green to brown, but they don't go away. I feel very sorry for the chargehands as they do a good job - but what happens to the requests they submit. I believe this is called 'raising a ticket'. How can all the tickets for this footpath have been overlooked. This is a well-used footpath which is now very unstable underfoot along the main arterial 60mph A road into Mold. I have also made Ian and Katie aware of this.
Cllr Teresa Carberry	Allotments	Access to sites for more allotments would be welcomed.

	Recycling School Uniforms	For what it is worth, I am doing my bit for saving landfill, by collecting and recycling school uniform. I have been in talks, prior to election, but not since, with Claire Homard re premises. Poverty and the cost of uniform continues to be a big issue in our community. The price of shoes does not help either. As you know most students increase in size over the year and families simply do not have the income to kit out their children in a whole new set of clothes.
	Wild Flowers	Growing wild flowers on roundabouts etc is a great idea.
	Trees	The planting of trees to increase Flintshire's % tree canopy.
	Communal Orchards	More communal orchards would be fantastic too.
Cllr Helen Brown	Grass Cutting	I see that grass cutting has been added to the list.
	Weeds	weeds growing everywhere is another issue across the county, a lot of places look very untidy presently.
	Recycling Day-Litter	Another issue that is raised quite often is the mess left after recycling day, leaving hatches open on wagons also doesn't help either
	Recycling containers	perhaps this can be looked at again and explore other options for collecting, the bags are quite useless
	Footpath Damage	Can we collect data on footpaths that are being damaged by tree roots please, I can name several.
	Parking outside schools	Parking at schools has been listed, totally agree this needs a review.
	Potholes	Most importantly for many is Potholes, this needs looking at urgently again before the winter period
Cllr Hilary McGuill	Parking Outside Schools	A single camera sited outside school will be able to record the registration data of offenders and then our officers could proceed to prosecute ,very cost effective method of stopping all the hassle ,If you are looking for somewhere to trial it we here in the village already have the infrastructure in place as we have a mobile camera.
Cllr Dale Selvester	Electric Charging Points	Given the benefits of electric cars on the environment due to their contribution towards improving air quality and the governments intention to end the sale of petrol and diesel vehicles by 2030, I believe we need more accessible charging points in Flintshire.
Cllr Adele Davies Cooke	Weeds	Weeds on footpaths, weeds on kerbs on roads looks very untidy and is detrimental to the structure of roads and paths, tree roots cause problems also.
	Parking Outside Schools	Dangerous entrances and parking at schools which my school in Gwernaffield seriously needs to be looked at, as a rural school for years only having 40 children now over 100 children so causing dangerous problems on the Cilcain road.
	Pot Holes	Pot holes and tarmac loss problems.
	Road markings	Repainting of white lines.
Cllr Ant Turton	Footpaths	The footpaths and their poor upkeep.
	Parking Outside Schools	The school parking issue seems to be the major concern.
	Parking Enforcement	The new yellow lines at the two schools (Sandycroft CP and Hawarden Village Church)in my ward appear to have been a complete waste of time and people (not all) completely ignore them, the lack of enforcement officers is a big factor.
Cllr Bernie Attridge	Planning Department	Can you advise me if the planning service is on the forward work programme as I am aware the Leader and the Cx commissioned a review in the last term of Council and I am unsure if the outcomes have been reported?

Cllr Chris Bithell	Weeds, paths	I have received from one of our Walkabout Flintshire volunteer Leaders, Nev Howells which is self explanatory. This section of the pavement in my Ward is a continuation of the same pavement which I believe Cllr Marion Bateman was complaining about, along the A5119 from Northop to Mold; the same pavement and the same problem! We are trying to encourage more people to walk rather than use the car in order to reduce the carbon footprint and also for exercise and body health, yet the pavements are quite often impassable and in a poor state. We do need to be more proactive in ensuring that these maintenance jobs are done regularly proactively rather than waiting for the problems to present themselves and complained about before anything is done.
	High Street Trees	Base of trees in Mold and the trees start to feather and sprout branches at low level causing issues to pedestrians
	Tesco Roundabout	Tree growing in the middle of it?
	Parking Outside Schools	
	Traffic restriction	Double yellow lines and little or no enforcement
Cllr Simon Jones	Highway verges/Wildflowers	verge cutting on the A55 is pushed back until late August at the earliest. The verges between Ewloe and Holywell contain a high number of wildflowers, including oxide daises, which are a food source for moths, which in turn are an important food source for endangered bats. Cutting these flowers before they have chance to seed has seen a reduction year on year on returning flowers.
Cllr Andrew Parkhurst	Rural bus services	Extend the shuttle bus facility to link remoter communities with scheduled services
	Recycling Centre changes	Review the recently introduced changes to reduce the bureaucracy needed for Flintshire residents to dispose of household waste
	allotments / community gardens	Increased provision of allotments / community gardens
	Safer routes/Cycling etc	Improve and increase safe cycle routes and footpaths
Cllr Roy Wakelam	Household Recycling Centre	A, The process currently in place for small trailers seems so long winded as to discourage resident from applying due to the vast amount of information required. You can apply for a bank account with less. B, The limitations on vans, I have several residents who have as their only means of transport a small camper style van or have a motability vehicle which is also van derived. Is it possible to consider what the resident uses the vehicle for rather that a blanket ban on vans.
	Planning Department	2, When sending out planning applications is it possible to give a small paragraph in which the application is summarised. Particularly when the application is referring to changes of conditions. Often the information needed is hard to extract for the general public and I feel we would get better engagement with residents with this approach.
Cllr Sam Swash	Household Recycling Centre	Campervans accessing household recycling centres. I understand this has been an ongoing problem. I have been made aware that the height restrictions for household recycling centres have been changed meaning that they now prohibit many residents who only have access to a campervan from using household recycling centres. This is an unfair penalisation in my view and something I would appreciate the Committee looking to rectify if possible.

	Cemeteries	**Flintshire County Council owned cemeteries offering mausolea and columbarium as a burial option.** Currently, Flintshire County Council-ran cemeteries offer traditional graves, lawn graves, cremated remains graves and babies/children's burial areas. I understand that burial space is at a premium in Flintshire currently with some cemeteries having little room left for future burials. **Mausolea ---** One way to counter this problem would be to offer mausolea as a burial option as they provide space for bodies above the ground. Mausolea can be built to house the bodies of entire families, reducing the comparative space required. **Columbaria** A columbarium is a far more efficient form of burial than a cremation burial. A columbarium is an above ground building or room that houses cremated remains. Please see the following link for examples of columbaria, if you are not familiar with them: https://stock.adobe.com/uk/search/images?k=columbarium. They would save large amounts of space and be more environmentally friendly than cremation burials.
Cllr Mike Peers	Parking Outside Schools	I am concerned about is the parking issues outside schools where lack of enforcement by Flintshire County Council is a contributing factor.
	Weeds	Weeds growing at the edge of the roads and pavements on estate roads.
David Evans	Bus Services	We need to make the bus service cheaper, more reliable and covering more of our communities.
	HMO's	These type of properties are not in the best interest of our communities and have a detrimental effect on our environment.
	Countryside/coastal/tourism	Do we have an up to date policy on countryside and coastal services especially to attract visitors to Flintshire.
	20mph Pilot	Should this committee be involved with the future rollout of 20mph schemes.
	Drainage / flooding	How can we increase land drainage and holding capacity to reduce flood risk.
	Unadopted Roads/ Alleyways	Criteria for dealing with of alleyways/unadopted roads with regards to access, fly tipping, cleanliness etc
	Dog Fouling	Lack of enforcement.
	Pavement parking	Discretion and Welsh government proposals etc
	Bulk Waste Collections	Need to make available for properties to share costs.
Cllr Dan Rose	Biodiversity Training	I'd like to see a program of training for Cllrs on the biodiversity and importance of our grasslands and hedges, to make sure we all have the tools to explain to people why cutting programs are reducing and changing so we can all support actions against the nature emergency.
	Community Engagement/Recycling	I'd like to see a program of engagement with our communities on recycling programs (I think I was told there is now an officer for this) with specific aim of increasing the number of homes who do recycle , I presume this could also be done with our schools and local Plastic Reduction groups.
	unaccompanied dogs / lost animals	I'd like clearer process clarity for the public on unaccompanied dogs and other lost animals (inc Horses) , revisiting the dog contract, I believe Denbighshire pays NCAR to collect dogs out of hours as all our vets have now been taken over by out of hours central contracts outside of area.
	Business Recycling	I'd like to see if there is a possibility to take on business recycling contracts for smaller local business, and what cost/income could be (costs from larger providers are not proportionate enough which means they don't recycle)
	Free Soil Improver	I'd like to see agreement with allotments, community gardens and schools offering delivery of the soil improver to reduce several individuals going to the skips to access it on bulk (can be charged for transport), this will reduce multiple small trips reducing over all carbon cost.
	HRC vehicle permits	Review of access to Recycling Centres, small vans / campervans (friends only have a small van as they volunteer to transport dogs, it's their only vehicle, similar to painters and decorators, builders, gardeners, sometimes it is their only transport)

	Recycling of other materials	Feasibility on recycling of other materials (e.g. tablet blister packs), for those products that can't be recycled I'd like some communications with our suppliers in Flintshire to see if they'll remove/reduce those from the shelves when there are alternatives
	Community grants	I'd like to see community need focused economic grants e.g. Buckley doesn't have a fruit and veg shop can we offer specific grant/discount/reduction
	Community Assets	Support for Communities who want to purchase local buildings and land
	Alternative Burial options	If there is a feasibility of creating a woodland burial ground (Trees instead of headstones) within Flintshire. My Father is buried in Denbighshire as there was no woodland option within Flintshire which increased the cost of the burial as not living in the area.
	Review of chemicals	Review of Poisons, herbicides and pesticides used (what quantity of each key chemical is procured and used by the council each year?) what options are possible to reduce these (I know we've swapped over some of the ones used on pavements over the last few years)
	Balloon Releases	I'd like to see Balloon Releases categorised as Littering and fines applied to those releasing them, is there a possibility of increasing the fine for the organiser to effectively ban their release?
Cllr Roz Mansell	Litter/Fly tipping	Fly tipping and Litter in our communities - unadopted alleyways, Side streets, private land.

This page is intentionally left blank

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Tuesday, 5th July, 2022
Report Subject	Terms of Reference of the Committee
Report Author	Head of Democratic Services
Type of Report	Operational

EXECUTIVE SUMMARY

The Council carried out a Committee review during 2019/20 which resulted in amendments to the Overview & Scrutiny Committee Structure. At the Annual Meeting of Council in 2020, these changes were confirmed, and this resulted in a reduction in the number of Committees to five, each comprising 12 elected Members. These are:

- Community, Housing & Assets;
- Corporate Resources;
- Education, Youth & Culture;
- Environment & Economy;
- Social & Healthcare.

Since the 2019/20 review there have been a number of changes to Portfolio structures resulting in changes to service area titles. It was felt that a review of the Overview & Scrutiny Committee terms of reference should be carried out to ensure that they were up to date and better aligned to Portfolio service areas.

Proposed changes to the terms of reference are shown at Appendix 2.

RECOMMENDATIONS

1	That the Committee support the proposed amendments to its terms of reference as set out in Appendix 2.

REPORT DETAILS

1.00	THE COMMITTEE'S TERMS OF REFERENCE.
1.01	The new Overview & Scrutiny Committee Structure was approved by Council on 27th February 2020. At the Annual Meeting on 9th September these changes were confirmed, and this resulted in a reduction in the number of Committees to five. The five Overview & Scrutiny committees are now: - Community, Housing & Assets; - Corporate Resources; - Education, Youth & Culture; - Environment & Economy; - Social & Healthcare.
1.02	Since the 2019/20 review there have been a number of changes to service areas within Portfolio's resulting in changes to service area titles. It was felt that a review of the Overview & Scrutiny Committee terms of reference should be carried out to ensure that they were up to date and better aligned to Portfolio service areas. The titles of contributors to each of the Overview & Scrutiny Committees also needed to be amended to reflect the new Senior Officer and Cabinet Member titles.
1.03	A copy of the current terms of reference for the Committee is shown at Appendix 1, with the new proposed terms of reference shown at Appendix 2. This is to allow the Committee to easily identify the suggested changes. Amendments are shown in red text at Appendix 2.
1.04	Where a matter for consideration by an Overview and Scrutiny Committee also falls within the remit of one or more other Overview and Scrutiny Committees, the decision as to which Overview and Scrutiny Committee will consider it will be resolved by the Constitution & Democratic services Committee.

2.00	RESOURCE IMPLICATIONS
2.01	Not applicable.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Not applicable.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	This report is being submitted to each of the Overview & Scrutiny Committees during the July cycle of meetings.

5.00	APPENDICES
5.01	Appendix 1 – Current Overview & Scrutiny Committee Terms of Reference. Appendix 2 – Revised Overview & Scrutiny Committee Terms of Reference.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Report to the Constitution & Democratic Services Committee – 22nd January, 2020 and resultant minute. Report to Council 27th February 2020 and resultant minute.

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Steven Goodrum, Democratic Services Manager **Telephone:** 01352 702320 **E-mail:** steven.goodrum@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	No technical terms have been used.

This page is intentionally left blank

Appendix 1: Overview & Scrutiny Committee Terms of Reference 2020/21

Red text indicates a function previously within the remit of the former Organisational Change Overview & Scrutiny Committee.

Green text indicates functions transferred to the new Environment & Economy Overview & Scrutiny Committee from the former Community & Enterprise Overview & Scrutiny Committee. Some functions were previously the joint responsibilities of two committees.

O&S Committee	Scope: To fulfil all of the functions of an Overview & Scrutiny committee, including Performance, Improvement and Policy Development as they relate to the following:	Main Contributors
Corporate Resources	**Corporate Management and Governance**	Leader of the Council; Corporate Management & Assets;
	Council strategic and improvement planning (Council Plan)	Finance.
12 Elected Members	Council performance and performance systems	Chief Executive; CO (Governance)
	Customer Services and contact	Corporate Finance Manager
Designated ' crime & disorder scrutiny' committee	**Finance Strategy**	Senior Manager (HR & OD)
	Revenue and capital strategic planning	
	Revenue and capital budget monitoring	
	Clwyd Pension Fund	
	ICT and Digital Strategies	
	People Strategy	
	Organisational Design & Change Programme	
	Corporate Services	
	Corporate Communications	
	Financial services	
	ICT Services	
	Information and Business Services	
	Procurement	
	HR Business Partnering	
	Occupational Health and Wellbeing	
	Employment Services	
	Legal Services	
	Democratic Services	
	Revenues	
	Strategic and Partnership Working	
	Partnership and collaborative working frameworks	
	Public Service Board	
	Civil Contingencies	
	Emergency Planning	

	Crime and Disorder Community Safety Partnership North Wales Fire & Rescue Authority & Service North Wales Police & Crime Commissioner North Wales Police Service North Wales Probation Service	
Education, Youth & Culture 12 Elected Members and five co-opted members representing parent governors and diocesan authorities.	School organisation and management School Improvement and modernisation School Access, planning and provision Primary and Early years Secondary and 14-19 education Schools Performance Monitoring **Continuing Education** Adult and community learning **Special Education** Inclusion service **Support to Families and Young People** Families First Youth Services Youth Justice Service Libraries, Culture and Heritage including archives and museums Leisure Services, including leisure and sports centres, swimming pools and recreational facilities/activities **Strategic and Partnership Working** Theatr Clwyd Aura Holywell Leisure Centre Cambrian Aquatics Children and Young People's Partnership (shared responsibility with the Social & Health Care Overview & Scrutiny Committee) Coleg Cambria Glyndwr University GwE Welsh Government Department for Education Estyn	Leader /Education & Youth Chief Executive CO (Education & Youth)

Social & Health Care	Adult Services	Cabinet Member for Social Services.
	First contact and localities	
	Adult safeguarding	CO (Social Services)
12 Elected Members	Adult Independence and support services	
	Children's Services	
	Fieldwork	
	Resources	
	Safeguarding	
	Early Years and Family support	
	Disability, Progression and Recovery Services	
	Strategic, Commissioning & Partnership Working	
	Children and Young People's Partnership (jointly with the Education & Youth Overview & Scrutiny Committee)	
	Social & Health Care Strategy Development	
	Health Social Care and Well-being partnership and the Good Health Good Care Strategy	
	Dementia Commissioning Plan	
	Mental Health Commissioning Plan	
	Learning Disability Commissioning Plan	
	Double Click	
	Home Farm Trust (HFT)	
	Hwb Cyfle	
	Betsi Cadwaladr University Health Board (BCUHB)	
	Ambulance Trust	
	Community Health Council.	
Environment & Economy	**Planning**	Cabinet Members for Planning & Public
	Planning and environmental strategy,	
	Development management and control,	Protection and
12 Elected Members	Conservation,	Streetscene &
	Minerals and waste planning,	Countryside
	Countryside and the environment	Chief Executive
	Greenfield Valley Heritage Park	CO (Planning,
	Public rights of way	Environment and
	Drainage advisory/Flood Water	Economy)
	Management Act	CO (Streetscene &
	Energy Services	Transportation)
	Public Protection	
	Community protection	
	Health protection	
	Environmental protection	

	Bereavement services	
	Streetscene Services	
	Environmental and Waste Management	
	Neighbourhood services	
	Maintenance of the public realm	
	Environmental enforcement	
	Vehicle fleet	
	Transportation	
	Highway Strategy and Development Control	
	Traffic Services	
	Transport Services	
	Road Safety Education, Training and Publicity	
	Performance and Improvement Plan Monitoring and Policy and Performance development within the Streetscene and Transportation and Planning, Environment and Economy portfolios	
	Strategic and Partnership Working	
	Local Development Plan	
	Flood Management Strategy	
	North Wales Residual Waste Treatment Partnership	
	Natural Resources Wales	
	Planning Inspectorate Wales	
	Regeneration	
	Communities First,	
	Economic Development and Tourism	
	Enterprise	
	Regeneration Partnership	
	Rural Development Plan	
	Visit Wales	
Community, Housing & Assets	**Community Liaison** The County Forum and the Joint Community Charter with Town and Community Councils Flintshire Local Voluntary Council	Cabinet Members for Corporate Management & Assets and Housing.
12 Elected Members		Chief executive
	Community services	CO (Housing & Assets)
	Community support services	
	Welfare reform	
	Public Housing	
	Housing Strategy	
	Neighbourhood Housing	
	Housing Asset management	
	Private Housing renewal	

	Benefits Property and Design Consultancy Valuation and Estates Facilities Services Community Assets **Strategic and Partnership Working** Community Asset Transfer Programme Housing Strategy Housing Asset Management Strategy NEWYDD NEW Homes Limited Housing Revenue Account Business Plan Registered Social Landlords	

This page is intentionally left blank

Overview & Scrutiny Committee Terms of Reference

O&S Committee	Scope: To fulfil all the functions of an Overview & Scrutiny committee, including Performance, Improvement and Policy Development as they relate to the following:	Main Contributors
Corporate Resources 12 Elected Members Designated 'crime & disorder scrutiny' committee	**Corporate Management and Governance** Council strategic and improvement planning (Council Plan) Council performance and performance systems Customer Services and contact Finance Strategy Revenue and capital strategic planning Revenue and capital budget monitoring **Clwyd Pension Fund** **ICT and Digital Strategies** **People Strategy** Organisational Design & Change Programme **Corporate Services** Corporate Communications Financial services ICT Services Information and Business Services Procurement HR Business Partnering Occupational Health and Wellbeing Employment Services Legal Services Democratic Services Revenues **Strategic and Partnership Working** Partnership and collaborative working frameworks Public Service Board Civil Contingencies Emergency Planning **Crime and Disorder** Community Safety Partnership North Wales Fire & Rescue Authority & Service North Wales Police & Crime Commissioner North Wales Police Service	Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources Chief Executive Chief Officer (Governance) Corporate Finance Manager

	North Wales Probation Service **Capital Programme and Assets** Corporate Property Maintenance Service Property and Design Consultancy Valuation and Estates Service Community Assets Community Asset Transfer Programme NEWYDD	
Education, Youth & Culture 12 Elected Members and five co-opted members representing parent governors and diocesan authorities.	School estate including capital investment programmes and school organization School Access including admissions and school transport policy School Improvement and modernisation School Access, planning and provision Early years Education Primary Education Secondary and 14-19 education and Post 16 provision Schools Performance Monitoring Welsh in Education Service Children in Education Outdoor Education School Governance Safeguarding **Continuing Education** Adult and community learning **Special Education** Inclusion & Progression service **Support to Families and Young People** Families First Youth Services Youth Justice Service Libraries, Culture and Heritage including archives and museums Leisure Services, including leisure and sports centres, swimming pools and recreational facilities/activities **Strategic and Partnership Working** Theatr Clwyd	Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing Chief Executive Chief Officer (Education & Youth) Chief Officer (Social Services)

	Aura Holywell Leisure Centre Cambrian Aquatics Children and Young People's Partnership (shared responsibility with the Social & Health Care Overview & Scrutiny Committee) Coleg Cambria Glyndwr University GwE Welsh Government Department for Education Estyn	
Social & Health Care 12 Elected Members	**Adult Services** First contact and localities Adult safeguarding Adult Independence and support services **Children's Services** Fieldwork Resources Safeguarding Early Years and Family support **Disability, Progression and Recovery Services** **Strategic, Commissioning & Partnership Working** Children and Young People's Partnership (jointly with the Education & Youth Overview & Scrutiny Committee) Social & Health Care Strategy Development Health Social Care and Well-being partnership and the Good Health Good Care Strategy Dementia Commissioning Plan Mental Health Commissioning Plan Learning Disability Commissioning Plan Double Click Home Farm Trust (HFT) Hwb Cyfle Betsi Cadwaladr University Health Board (BCUHB) Ambulance Trust Community Health Council	Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing Leader of the Council and Cabinet Member for Education, Welsh Language, Culture and Leisure Chief Officer (Social Services) Chief Officer (Education & Youth)

APPENDIX 2

| Environment & Economy

12 Elected Members | **Planning**
Planning and environmental strategy,
Development management and control,
Conservation,
Minerals and waste planning, Countryside and the environment Greenfield Valley Heritage Park
Public rights of way
Drainage advisory/Flood Water Management Act
Energy Services

Community and Business Protection
Food safety and food standards
Licensing and pest control
Health and Safety and Environmental Control
Housing Standards and Pollution Control
Trading Standards
Animal Heath
Violence against Women, Domestic Abuse and Sexual Violence

Streetscene Services
Waste Strategy & Recycling
Winter Maintenance & Adverse Weather Policy
Public open space management
Town Centre & Street Cleansing
Grass Cutting & Grounds Maintenance
Highway Inspections & Maintenance
Public Conveniences (Local Toilets Strategy)
Environmental & Civil Parking Enforcement
Street Lighting
Fleet Services
Ultra-Low Emission Vehicle (ULEV) Strategy
Bereavement Services & cemetery management
Car Parking Strategy

Transportation
Transport Planning & Highway Strategy
Traffic Services
Active Travel
Integrated Transport Services (school transport, post-16 transport, local bus services, community transport, rail etc.)
Road Safety Education, Training and Publicity
North Wales Metro Programme / Regional Transport Plan | Deputy Leader of the Council and Cabinet Member for Streetscene and the Regional Transport Strategy

Cabinet Member for Planning, Public Health and Public Protection

Cabinet Member for Climate Change and Economy

Cabinet Member for Housing and Regeneration

Chief Executive

Chief Officer (Planning, Environment and Economy)

Chief Officer (Streetscene and Transportation) |

Page 36

	Performance and Improvement Plan Monitoring and Policy and Performance development within the Streetscene and Transportation and Planning, Environment and Economy portfolios **Strategic and Partnership Working** Flood Management Strategy North Wales Residual Waste Treatment Partnership (Parc Adfer) Natural Resources Wales Planning Inspectorate Wales Planning and Environmental Decisions Wales (PEDW)Ambition North Wales / North Wales Growth Deal Corporate Joint Committees (CJCs) Strategic Development Plan Regional Transport Plan Transport for Wales (TfW) Mersey Dee Alliance (MDA) **Enterprise and Regeneration** Economic growth and Business Development Tourism Social Enterprise Markets Regeneration Employability Domestic energy Digital connectivity	
Community & Housing 12 Elected Members	**Community Liaison** The County Forum and the Joint Community Charter with Town and Community Councils Flintshire Local Voluntary Council **Housing & Prevention Services** Homelessness Housing Advice and Common Housing Register Neighborhood Housing Housing Asset management Housing Support Grant **Housing Asset Management** Revenue and Capital Investment to Council housing stock and related assets. Repairs & Maintenance Service.	Cabinet Member for Housing and Regeneration Cabinet Member for Governance and Corporate Services including Health and Safety and Human Resources Chief Officer (Housing and Communities)

	Empty Property Refurbishment. **Housing Management & Benefit Service** Benefits and Grants Assessment Community Based Accommodation Support Service (CBASS) Disabled Facilities Grant Gypsy and Traveller Services Housing Management Welfare Reform **Housing Development** Housing Programmes Housing Strategy NEW Homes Limited **Strategic and Partnership Working** Housing Revenue Account Business Plan Registered Social Landlords	

CYNGOR
Sir y Fflint
Flintshire
COUNTY COUNCIL

ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY COMMITTEE	

Date of Meeting	Tuesday 5th July, 2022
Report Subject	End of Year Performance Monitoring Report
Cabinet Member	Deputy Leader of the Council and Cabinet Member for Streetscene and the Regional Transport Strategy; Cabinet Member for Climate Change and Economy; and Cabinet Member for Planning, Public Health and Public Protection
Report Author	Chief Officer (Planning, Environment and Economy); and Chief Officer (Streetscene and Transportation)
Type of Report	Strategic

EXECUTIVE SUMMARY

Flintshire County Council Reporting Measures 2020/21 were identified by portfolios and approved by Cabinet in September 2020. The Council Plan 2021/22 was adopted by the Council in June 2021 and this report presents a summary of the annual out-turn of progress against the Council Plan priorities relevant to the Environment & Economy Overview & Scrutiny Committee.

This out-turn report for the 2021/22 Council Plan shows 73% of activities are making good progress with 74% likely to achieve their planned outcomes. 73% of the performance indicators have met or exceeded their targets, 9% are being closely monitored and 18% are currently not meeting target.

This report is an exception-based report and concentrates on those areas of performance which are not currently achieving their target.

RECOMMENDATIONS	
1.	To support levels of progress and confidence in the achievement of priorities within 2021/22 Council Plan.
2.	To support overall performance against 2021/22 Council Plan performance indicators.
3.	To be assured by explanations given for those areas of underperformance.

REPORT DETAILS

1.00	EXPLAINING THE PERFORMANCE AT YEAR END 2021/2022
1.01	The Council Plan performance report provides an explanation of the progress made towards the delivery of the priorities set out in the 2021/22 Council Plan. The narrative is supported by information on performance indicators and/or milestones.
1.02	This report is an exception-based report and concentrates on those areas of performance which are not currently achieving their target.
1.03	**Monitoring our Performance** Analysis of performance against the performance indicators is undertaken using the RAG status. This is defined as: • RED - under-performance against target. • AMBER - where improvement may have been made but performance has missed the target. • GREEN - positive performance against target.
1.04	Analysis of current levels of performance against target shows the following: • 44 (73%) have achieved a green RAG status • 5 (9%) have an amber RAG status • 11 (18%) have a red RAG status
1.05	The performance indicators (PIs) which show a red RAG status for current performance against target relevant to the Environment & Economy Overview & Scrutiny Committee are: - **Green Society and Environment** **Develop multi-modal transport hub at Garden City** Progress has been hindered due to ongoing land negotiations. An application for funding enabling construction in 2022/23 financial year has been submitted. **Introduce Electric Charging points at key locations across the County**

A total of four electric charge points have been installed on the recently constructed Park & Ride facility on Zone 2 Deeside Industrial Park. A further 17 charge-points are to be installed imminently within Flintshire owned car parks.

Introduce electric vehicles into the recycling fleet
We have been working with Welsh Government Energy Service and partner organisations to introduce Electric Vehicle Charging Infrastructure to Alltami Depot, however the delivery of Electric Vehicles has been delayed due to supply chain issues.

Percentage of waste reused, recycled or composted
Changes in lifestyle, with more people working from home and buying online, has caused fluctuation to the materials streams, with an increase in residual waste affecting recycling rates.

Total waste arising from composting decreased in Q4 as expected due to seasonal fluctuations (growing season and cessation of collections over the winter period). This has decreased the overall recycling performance, which includes both recycling and composting data combined. As a result, the recycling percentage has decreased. Monitoring of the materials will continue and educational campaigns to increase awareness of recycling with events planned in spring/summer to help drive a reduction in residual waste and increase in recycling rates. Additionally, the reintroduction of side waste enforcement since September 2021 will continue to assist with ensuring that residual waste is minimised.

Economy
Number of local businesses supported to reduce their carbon footprint and become more resource efficient
Progress on this work area has been delayed this year due to capacity being diverted to the delivery of Welsh Government Covid grants to businesses. The Council has now established a new decarbonisation forum for Deeside Industrial Park to support businesses and pilot wider approaches.

Number of individuals entering employment, learning or volunteering
Overall, numbers entering the employability programmes have been lower this year as the impact of the pandemic on the labour market has been less than feared. As a result, leaver numbers are also lower than forecast. During quarter four, 39 individuals who were signed up to the Communities for Work programme were successful in gaining employment. The successful employment sectors included retail, construction (multiskilled operatives), security, care work and logistics. Throughout the quarter a number of training and work experience opportunities had been made available to clients including a five-day Social Care pathway, Health and Safety Level 1 in construction training along with a Hospitality pathway which included training in Food Safety, Customer service and barista.

Number of individuals receiving support
During quarter four, 86 individuals registered with the Communities for Work programme in Flintshire and were assigned an employment mentor. Opportunities for engagement during this quarter included a specific social care recruitment event held in February at Ty Calon in Queensferry to support

care providers who are struggling to recruit staff in this area and to provide job seekers with a platform to talk to employers direct. A partnership event at the Xplore Science Discovery Centre in Wrexham took place during March to support anyone interested in a career in the transport sector. Local training providers were on hand for individuals to find out what is involved and what opportunities are available. Employers also attended to give an overview of their companies and the different roles they have within. Communities for Work continued to support a community drop-in held at St. Peter's Church in Holywell offering advice and guidance to anyone wanting to get back into work.

Green Society and Environment / Economy
Number of bus quality partnerships on the core network
The ongoing development of the Quality Bus Partnership has been put on hold. Transport For Wales are undertaking a Network review across North Wales and whilst the initial report was due in May 2021 this piece of work is delayed due to the consultation of the white paper produced by Welsh Government. This white paper sets out proposals for public transport bus services to better plan and grow the bus network. This will ensure it meets public needs, maximise the value we get for our investment in bus services and break our reliance on private cars.

2.00	RESOURCE IMPLICATIONS
2.01	There are no specific resource implications for this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	**Ways of Working (Sustainable Development) Principles Impact**

Long-term	Throughout all the End of Year Monitoring Report there are demonstrable actions and activities which relate to all the Sustainable Development Principles. Specific case studies will be included in the Annual Performance Report for 2021/22.
Prevention	
Integration	
Collaboration	
Involvement	

Well-being Goals Impact

Prosperous Wales	
Resilient Wales	Throughout the End of Year Monitoring Report there is evidence of alignment with the Well-being Goals. Specific strategic and policy reports include impact and risk assessments.
Healthier Wales	
More equal Wales	
Cohesive Wales	
Vibrant Wales	
Globally responsible Wales	

Council's Well-being Objectives

The Council undertook a review of its Well-being Objectives during the development of the 2021/22 Council Plan. The updated set of Well-being Objectives are a more focused set of six. The Well-being Objectives identified have associated themes for which they resonate. See the full list below.

Theme	Well-being Objective
Poverty	Protecting people from poverty by supporting them to meet their basic needs
Affordable and Accessible Housing	Housing in Flintshire meeting the needs of our residents and supporting safer communities
Green Society and Environment	Limiting the impact of the Council's services on the natural environment and supporting the wider communities of Flintshire to reduce their own carbon footprint
Economy	Enabling a sustainable economic recovery
Personal and Community Well-being	Supporting people in need to live as well as they can
Education and Skills	Enabling and Supporting Learning Communities

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	The Reporting Measures are monitored by the respective Overview and Scrutiny Committees according to the priority area of interest.
4.02	Chief Officers have contributed towards reporting of relevant information.

5.00	APPENDICES
5.01	Appendix 1: Year-end progress report against 2021/22 Reporting Measures.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Council Plan 2021/22.

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Margaret Parry-Jones, Overview & Scrutiny Facilitator **Telephone:** 01352 702427 **E-mail:** Margaret.parry-jones@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	**Council Plan:** the document which sets out the annual priorities of the Council. It is a requirement of the Local Government and Elections (Wales) Act 2021 for organisations to 'set out any actions to increase the extent to which the council is meeting the performance requirements.' Plans for organisations should be robust; be clear on where it wants to go; and how it will get there. **An explanation of the report headings** **Measures (Key Performance Indicators - KPIs)** **Actual (YTD)** – the year-to-date performance identified i.e. by numbers, percentages, etc **Target (YTD)** – The target for the year to date which is set at the beginning of the year. **Current RAG Rating** – This measures performance for the year against the target. It is automatically generated according to the data. • **Red** = a position of under performance against target • **Amber** = a mid-position where improvement may have been made but performance has missed the target; and • **Green** = a position of positive performance against the target.

Council Plan End of Year Performance Monitoring Report 2021/22

Gyda'n gilydd gallwn ni i gyd helpu
i gadw **Sir y Fflint** yn ddiogel

Together we can all help to
keep **Flintshire** safe
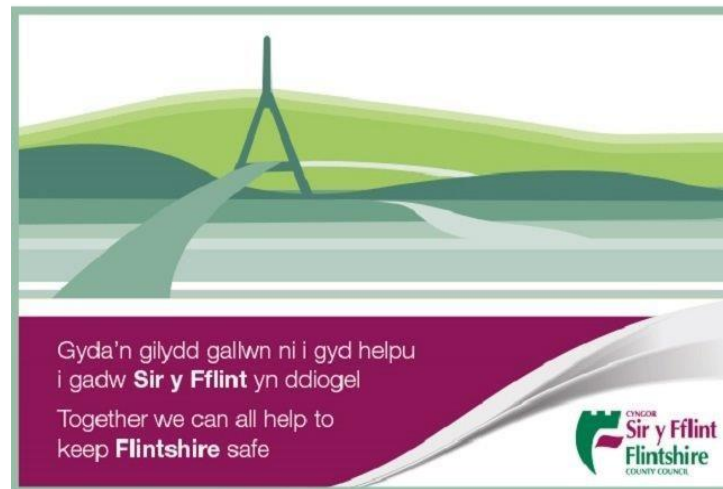
Analysis

Council Plan Action RAG Status

Off Track
3%

Monitor
24%

On Track
73%

■ Off Track ■ Monitor ■ On Track
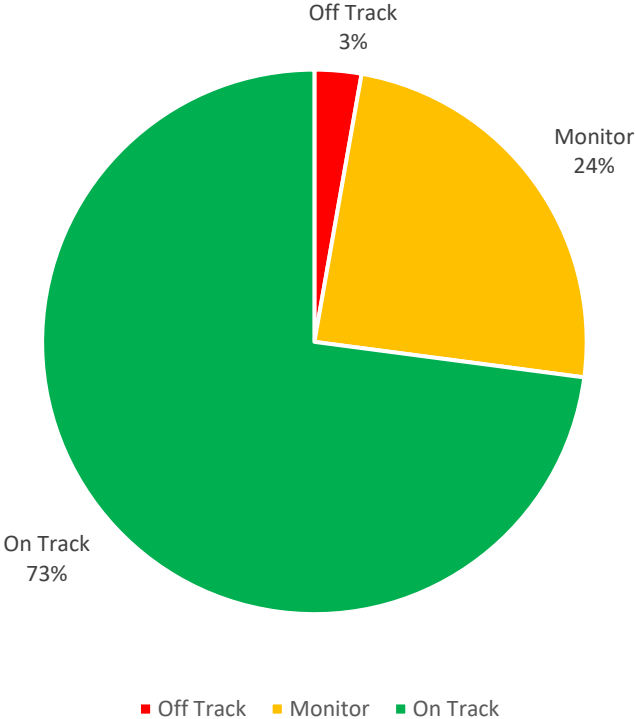
Council Plan Outcome RAG Status

Off Track
2%

Monitor
24%

On Track
74%

■ Off Track ■ Monitor ■ On Track

Council Plan Performance Measures

Off Track 18%

Monitor 9%

On Track 73%

■ Off Track   ■ Monitor   ■ On Track
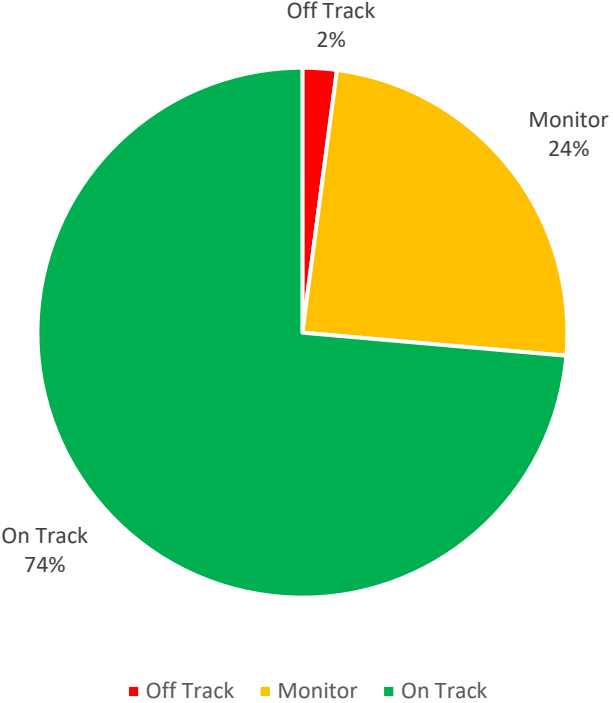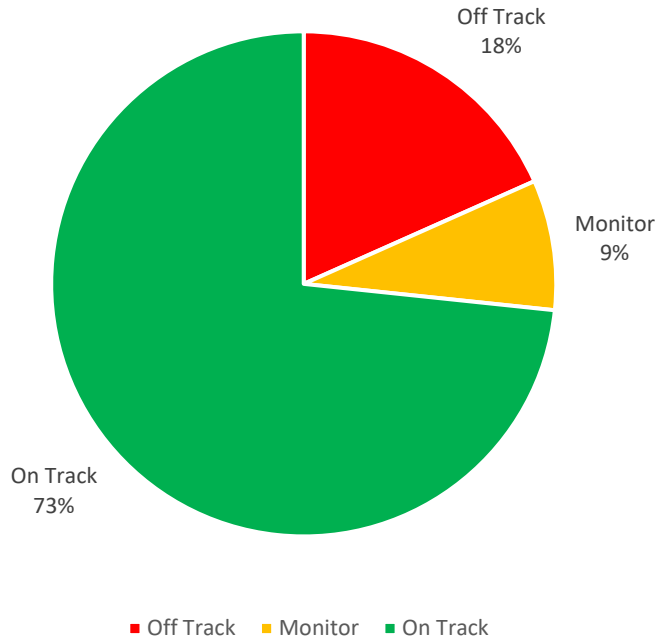
Measures Off Track

Area	Title	RAG
Social Housing	Number of Affordable Homes under construction via NEW Homes	▲
	Number of Council Homes completed	▲
Fleet Strategy	Introduce electric vehicles into the recycling fleet	▲
Active and Sustainable Travel Options	Develop multi-modal transport hub at Garden City	▲
	Introduce Electric Charging points at key locations across the County	▲
Active and Sustainable Travel Options Transport and Digital Infrastructure	Number of bus quality partnerships on the core network	▲
Circular Economy	Percentage of waste reused, recycled or composted	▲
Business	Number of local businesses supported to reduce their carbon footprint and become more resource efficient	▲
Reducing Worklessness	Number of individuals entering employment, learning and volunteering	▲
	Number of individuals receiving support	▲
A Well-connected, Safe and Clean Local Environment	Progress actions to avoid non-payment of all Fixed Penalty Notice (FPN) / Penalty Charge Notice (PCN)	▲

Green Society and Environment

Green Society and Environment Overall Performance

Green Society and Environment Action RAG Status

Off Track
4%

Monitor
32%
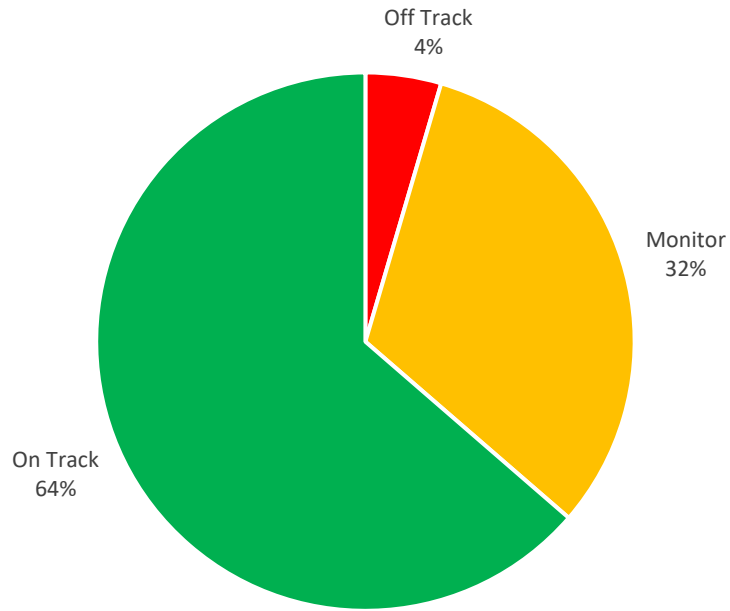
On Track
64%

■ Off Track   ■ Monitor   ■ On Track

Green Society and Environment Outcome RAG Status

Off Track
5%

Monitor
18%

On Track
77%

■ Off Track   ■ Monitor   ■ On Track

Green Society and Environment Performance Measures

- ■ Off Track
- ■ Monitor
- ■ On Track

Off Track 42%

On Track 58%

Measures Off Track

Area	Title	RAG
Fleet Strategy	Introduce electric vehicles into the recycling fleet	▲
Active and Sustainable Travel Options	Develop multi-modal transport hub at Garden City	▲
	Introduce Electric Charging points at key locations across the County	▲
	Number of bus quality partnerships on the core network	▲
Circular Economy	Percentage of waste reused, recycled or composted	▲

Carbon Neutrality Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Developing a net carbon zero action plan and be approved	100%	⭐	⭐	The strategy was developed following external and internal engagement. The strategy sets out Council's current position and highlights actions to decarbonise the Council's assets and services through five key themes Buildings, Mobility & Transport, Land Use, Procurement & Behaviour. Biodiversity and carbon sequestration on agricultural estate has also been incorporated into this strategy. The strategy was endorsed by Environment & Economy Overview & Scrutiny Committee and Cabinet and was adopted by the Council in February 2022.
Developing a policy for sustainable and long term energy usage in capital projects where this can be achieved	100%	⭐	⭐	The requirement for a policy has been negated by the energy team and the Capital Assets team working together to include the energy team in the early design stages of Capital Projects to advise on sustainable energy usage and understand the long-term effects of energy usage.
Gathering information on annual Council greenhouse gas emissions to submit to Welsh Government and the Carbon Programme Board	100%	⭐	⭐	Data submission for 2020/21 carbon emissions was completed in October 2021 and sent to Welsh Government.
Putting a Governance structure (Carbon Programme Board) in place	100%	⭐	⭐	Member Programme Board in place June 2021. Meetings occur every two months. Officer Group to support Programme Board in place September 2021 with first meeting taking place in October. The governance structure includes Environment and Economy Scrutiny.

Action	Percentage Complete	RAG	Outcome RAG	Comment
Reviewing the procurement policy to reduce greenhouse gas emissions from suppliers	30%	🟠	⭐	Resources have been strengthened in the joint Procurement service and a permanent team leader has been in post from quarter three. Work has commenced to review the procurement strategy in line with the Council's carbon ambitions to ensure specific measures around carbon and biodiversity are embedded in procurement process. We are still very much at the start of this work, but a joint meeting was held in quarter three to shape the new Procurement Strategy for 2022-2027 and to develop a toolkit to ensure all procurement exercises are awarded giving appropriate consideration to carbon reduction priorities and monitor contract against declared emissions. The new Procurement Strategy, to be implemented in 2022/23 will support measures for the management and reduction of carbon and we are supporting the introduction of new measures which are outlined in the Wales Procurement Policy Notice 12/21 'Decarbonisation Through Procurement.'

Carbon Neutrality Measures

Council Greenhouse gas emissions

Council Greenhouse gas emissions
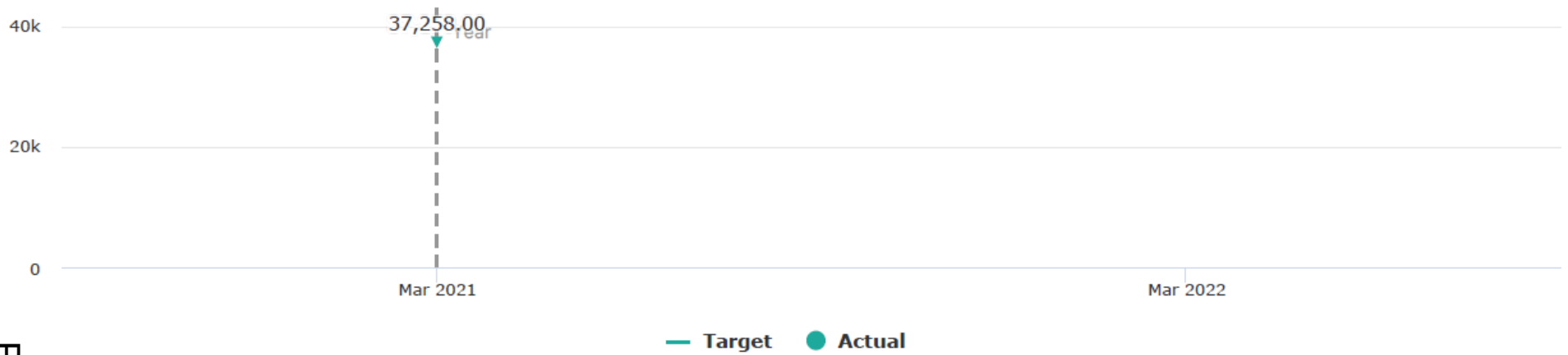
Actual (YTD)	Target (YTD)	Current RAG Rating
N/A	35,450.00	N/A

Comment
Data for 2020/21 carbon emissions was collated, submitted to Welsh Government and reported to the Climate Change Programme Board. 2021/22 carbon emissions will not be collated and reported until September 2022 and will therefore be rolled onto next year.

Fleet Strategy Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Converting the authority's fleet to electric and alternative fuels (hydrogen etc)	20%	★	★	The fleet team continues to work with its partners to introduce electric vehicles to services, despite supply chain delays affecting delivery dates. Infrastructure has been introduced to operational depots and county car parks and work has been undertaken to outline a transition to Ultra Low Emission Vehicles through the next procurement cycle. This is a long-term plan that requires departments across the council to review their operations for vehicle and charging infrastructure technologies to be readily available to facilitate the transition.

Fleet Strategy Measures

Fleet Strategy Performance Measures

Off Track
100%

■ Off Track ■ Monitor ■ On Track
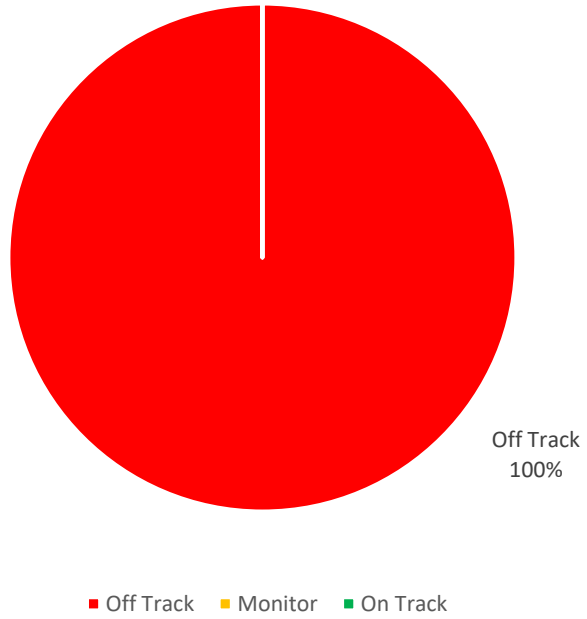
Measures

Area	Title	RAG
Fleet Strategy	Introduce electric vehicles into the recycling fleet	▲

Fleet Strategy Measures

Introduce electric vehicles into the recycling fleet

SST/006M

Actual (YTD)	Target (YTD)	Current RAG Rating
0.00	3.00	▲

Comment
We have been working with Welsh Government Energy Service and partner organisations to introduce Electric Vehicle Charging Infrastructure to Alltami Depot, however the delivery of Electric Vehicles has been delayed due to supply chain issues.

Green Environment Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Delivering an increase in canopy cover as part of the Urban Tree and Woodland Plan	100%	⭐	⭐	This tree planting programme has been completed with projects externally funded through Welsh Governments Local Places for Nature grant and challenge fund. Semi-mature standards have been planted across the urban communities of Flintshire in line with policy target to increase canopy cover. Also planting completed through the TWIG (Woodland Improvement grant) Notable planting was undertaken at Wepre Park to extend the woodland boundary and involved local schools.
Developing a strategy to improve biodiversity and carbon sequestration on the agricultural estate	100%	⭐	⭐	The strategy was developed following external and internal engagement. The strategy sets out Council's current position and highlights actions to decarbonise the Council's assets and services through five key themes Buildings, Mobility & Transport, Land Use, Procurement & Behaviour. Biodiversity and carbon sequestration on agricultural estate has also been incorporated into this strategy. The strategy was endorsed by Environment & Economy Overview & Scrutiny Committee and Cabinet and was adopted by the Council in February 2022.
Enhancing the natural environment through the delivery of the Section 6 Environment Act Wales biodiversity duty	100%	⭐	⭐	All planned 49 sites with biodiversity improvements have been completed. Also completed is the townscape trees project and wildflower areas. Other Section 6 duty programmed outputs for 2021/22 have also been completed.

Green Environment Measures

Green Environment Performance Measures

On Track
100%

■ Off Track ■ Monitor ■ On Track
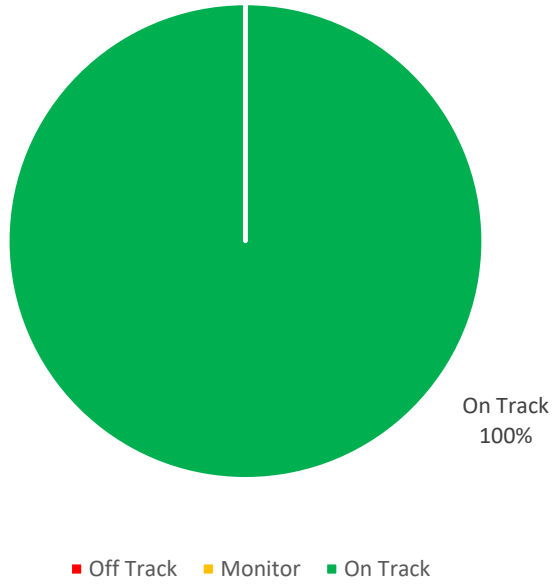
Measures

Area	Title	RAG
Green Environment	Number of Standard trees planted	★
	Number of Whips planted	★

Green Environment Measures

Number of Standard trees planted

PEE/009M
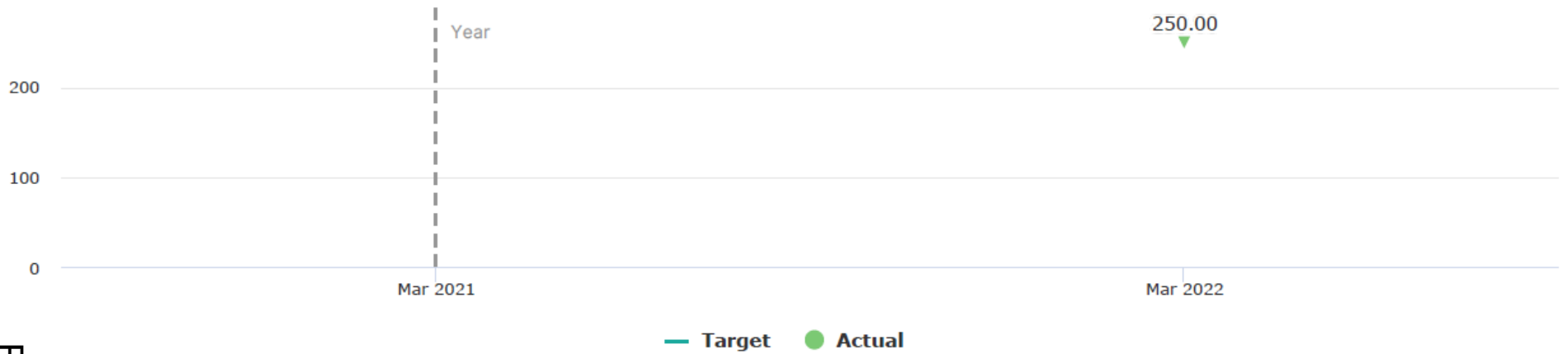
Actual (YTD)	Target (YTD)	Current RAG Rating
250.00	150.00	★

Comment
This tree planting programme has been complete with projects externally funded through Welsh Governments Local Places for Nature grant and challenge fund. Semi-mature standards have been planted across the urban communities of Flintshire in line with policy target to increase canopy cover.

Green Environment Measures

Number of Whips planted

PEE/010M
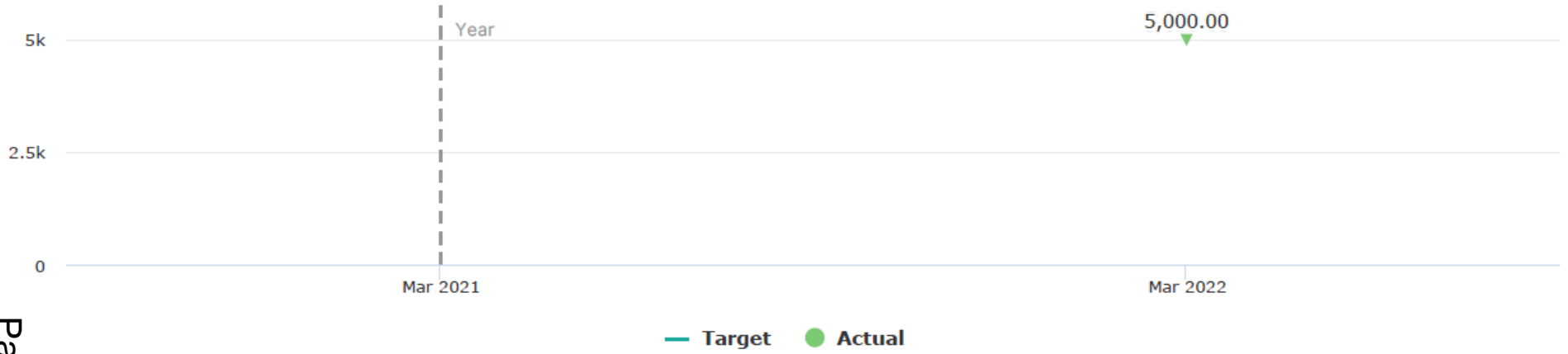
Actual (YTD)	Target (YTD)	Current RAG Rating
5,000.00	4,000.00	⭐

Comment
This tree planting programme has been complete through the TWIG (Woodland Improvement grant) and challenge fund. Notable planting was undertaken at Wepre Park to extend the woodland boundary and involved local schools.

Renewable Energy Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Agreeing appropriate investment strategy for future renewable energy developments	20%	🟠	🟠	Capacity within the non-domestic energy unit has restricted further development of this action. Due to issues with existing installations and rectifying storm damage focus has been on getting these systems back into a functioning and effective state. Action to be carried into 2022/23 to ensure next stage schemes are considered and invested in where appropriate.
Assessing the feasibility of renewable energy and land assets and link to wider carbon ambitions	20%	🟠	🟠	Further feasibility needed for assessment of land assets for carbon sequestration opportunities and renewable energy schemes. Due to issues with current renewables installations taking resource capacity, further progression on new developments has been paused however this action is continuing into the 2022/23 plan to include feasible land assets for planting schemes.

Active and Sustainable Travel Options Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Developing the County's electric car charging network	75%	🟠	⭐	A total of 17 publicly accessible charge-points are scheduled to be implemented within nine Flintshire car parks. Contract award has been hindered by availability of contractors as well as insufficient budget due to rising market costs. Additional funding has now been obtained and contract has now been awarded. Works scheduled to commence in July 2022. These works form part of a longer term strategy which aims to introduce public electric vehicle charging infrastructure at economically viable sites across the county.
Developing the County's walking and cycling network	75%	⭐	⭐	The statutory consultation of the Council's Integrated Network Map was completed in 2021 capturing the views and aspirations of the Flintshire public for the active travel network. Discussions with land owners have been ongoing. Cycle improvement schemes have been completed in Greenfield Valley (Phase 3), Hawarden cycle bridge upgrade, Mold town centre and Caerwys. A programme of dropped crossings has also been identified for progression across the county and work is underway. These works form part of a longer term strategy which aims to develop active travel infrastructure across the county.
Promoting active travel and further develop the Council's cycleway network	75%	⭐	⭐	The statutory consultation of the Council's Integrated Network Map was completed in 2021. Works to progress a number of in-year grant funded schemes have been hindered by land owner constraints which are currently in the process of being resolved with construction scheduled for 2022/23. In addition to the above, cycle improvement schemes have been completed in Greenfield Valley (Phase 3), Hawarden cycle bridge upgrade, Mold town centre and Caerwys. These works form part of a longer term strategy which aims to develop and promote active travel infrastructure across the county.

Action	Percentage Complete	RAG	Outcome RAG	Comment
Promoting multi modal transport journeys and the development of strategic transport hubs	80%	🟠	⭐	Works to progress multi-modal transport projects have progressed throughout the year which incorporates a programme of active travel schemes as well as the delivery of the Park & Ride (P&R) facility on Zone 2 Deeside Industrial Park. We are awaiting the delivery of two electric bus vehicles which have been delayed as a result of supply chain issues. Work is underway to secure funding through the Levelling Up Fund (Round 2) for the construction of the Deeside Railway Station. Work is ongoing to finalise the purchase of land for the Garden City Bus Interchange with scheme implementation anticipated in 2022/23, subject to available funding. The locations of the strategic transport hubs will be reviewed as part the Council's review of the Integrated Transport Strategy and development of the Regional Joint Transport Plan through the CJCs, which will also be informed by the ongoing Bus Network Review being led by Transport for Wales and the proposals by Welsh Government for new legislation for bus services. The development of strategic transport hubs forms part of a longer term holistic transport strategy which aims to develop and promote multi-modal travel journeys both within the county and cross border.

Active and Sustainable Travel Options Measures

Active and Sustainable Travel Options Performance Measures

On Track
25%

Off Track
75%

- Off Track   - Monitor   - On Track
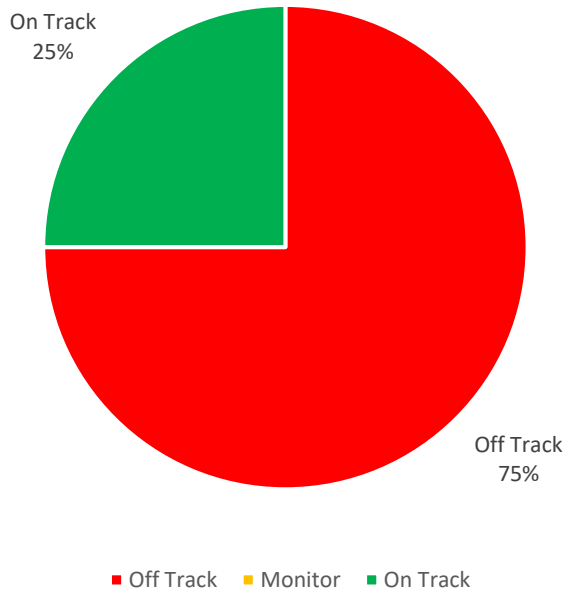
Measures

Area	Title	RAG
Active and Sustainable Travel Options	Complete consultation of the amended Integrated Active Travel Network Map	★
	Develop multi-modal transport hub at Garden City	▲
	Introduce Electric Charging points at key locations across the County	▲
	Number of bus quality partnerships on the core network	▲

Active and Sustainable Travel Options Measures

Complete consultation of the amended Integrated Active Travel Network Map

SST/003M

Actual (YTD)	Target (YTD)	Current RAG Rating
1.00	1.00	⭐

Comment
Statutory consultation exercise on the Council's Integrated Network Map completed in 2021. Auditing exercise undertaken by Welsh Government with feedback received. Work currently underway to address a number of matters to be submitted on 30 May 2022 for Welsh Government approval.

Active and Sustainable Travel Options Measures

Develop multi- modal transport hub at Garden City

SST/004M
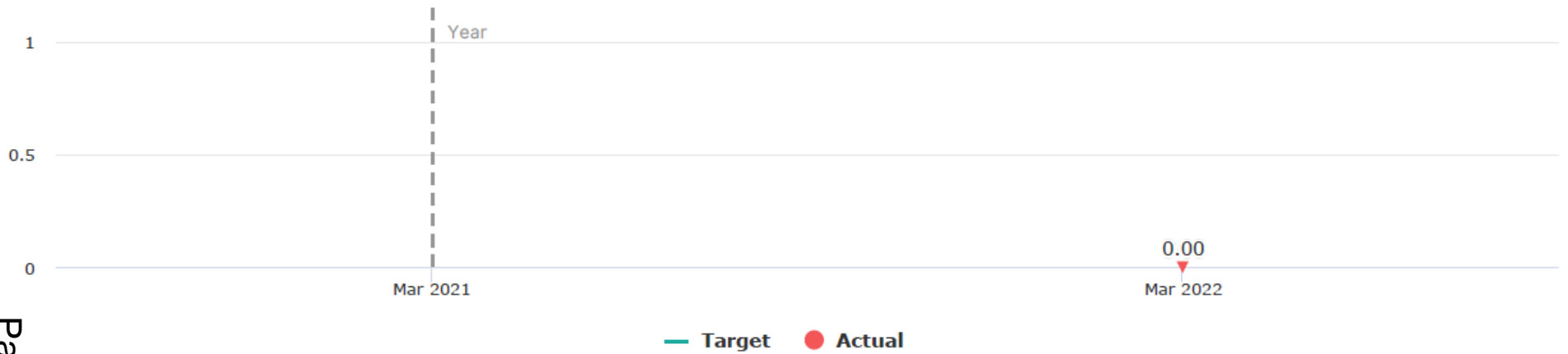
Actual (YTD)	Target (YTD)	Current RAG Rating
0.00	1.00	▲

Comment
Progress has been hindered due to ongoing land negotiations. An application for funding to enable construction in 2022/23 financial year has been submitted to Welsh Government.

Active and Sustainable Travel Options Measures

Introduce Electric Charging points at key locations across the County

SST/005M
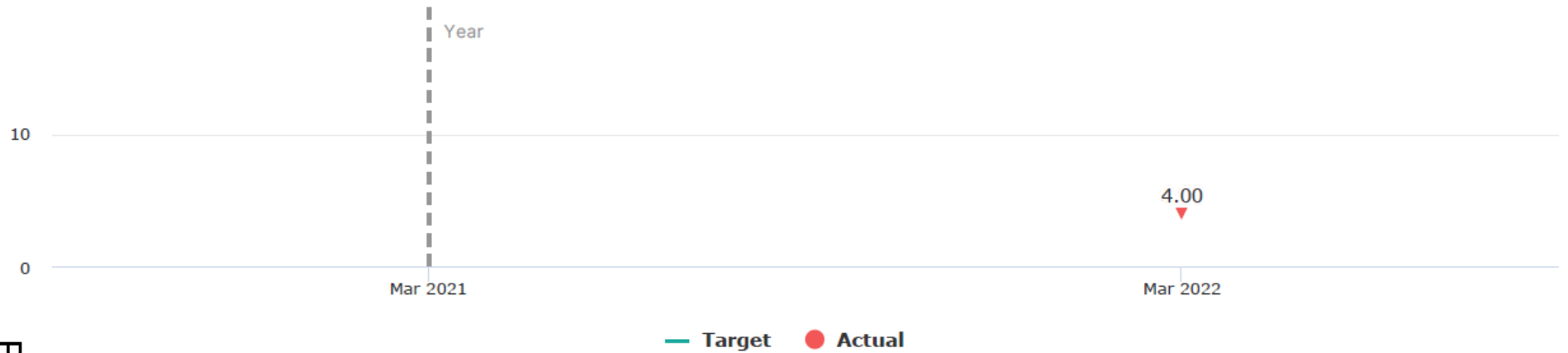
Actual (YTD)	Target (YTD)	Current RAG Rating
4.00	17.00	▲

Comment
Four electric charging points have been installed on the recently constructed Park & Ride facility on Zone 2 Deeside Industrial Park. A further 17 charge-points are to be installed soon within Flintshire owned car parks.

Active and Sustainable Travel Options Measures

Number of bus quality partnerships on the core network

SST/007M

Actual (YTD)	Target (YTD)	Current RAG Rating
0.00	1.00	▲

Comment
The development of the Quality Bus Partnership has been suspended due to national initiatives that will change the way bus services are managed and operated in the future. Transport for Wales (TfW) are undertaking a network review of bus services across north Wales and, whilst the initial report was expected in May 2021, this piece of work has been delayed due to the white paper consultation issues by Welsh Government on bus reform in Wales. This white paper sets out proposals for public transport bus services to better plan and grow the bus network. This will ensure it meets public needs, maximise the value we get for our investment in bus services and reduce reliance on private cars.

Circular Economy Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Achieving Welsh Government recycling targets	60%	🟠	🟠	Changes in lifestyle, with more people working from home and buying online has caused fluctuation to the materials streams, with an increase in residual waste affecting recycling rates. Total waste arising from composting decreased in quarter four as expected due to seasonal fluctuations (growing season and cessation of collections over the winter period). This has decreased the overall recycling performance which includes both recycling and composting data combined. As a result, the recycling percentage has decreased. Monitoring of the materials will continue and educational campaigns to increase awareness of recycling with events planned in spring/summer to help drive a reduction in residual waste and increase in recycling rates. Additionally, the reintroduction of side waste enforcement since September 2021 will continue to assist with ensuring that residual waste is minimised.
Developing and extending the Greenfield Composting Facility and Waste Transfer Station	95%	⭐	⭐	Scheme has been largely completed. Weighbridges are now installed and currently waiting for IT to install software which will complete the project.
Developing and extending the Standard Yard Waste & Recycling Transfer Station	50%	⭐	⭐	Standard Yard Project works is a long-term project and has experienced significant delays due to the global situation with delays to gaining regulatory consents such as planning, environmental permitting, Sustainable Urban Drainage systems. We have now successfully received planning and are currently working through the conditions to ensure compliance. The contract for the demolition of the old waste transfer station was awarded, work is now complete and we are working with the baler company to finalise the internal design following tendering. Work is underway to firm up the costings, design and works programme for the project.
Promoting the option to reuse and repair unwanted items at Household Recycling Centres by partnering with local Charities	60%	🟠	🟠	A funding bid to introduce a reuse initiative across all Household Recycling Centres was submitted to the Landfill Disposal Tax Communities Scheme in January 2022. It is anticipated that the outcome of that funding bid will be known in April 2022.

Action	Percentage Complete	RAG	Outcome RAG	Comment
Support local businesses in their efforts to reduce their carbon footprint and become more resource efficient	0%	▲	▲	Delivery of a further package of Welsh Government Covid response grants have further delayed implementation of this work area.
Supporting and promoting the development of a Re-Use and Repair Café within the County	100%	★	★	The Repair and Reuse Centre, with café, was successfully opened in June 2021. Since that time the café has become well established with customer throughput increasing. A small number of repair/reuse workshops have taken place so far but progress with a formal programme has been delayed due recruitment and social distancing restriction.
Working in partnership, actively support and engage with community led groups by developing environmental and recycling initiatives	100%	★	★	An appointment has been made to the role of Environmental Improvement Coordinator. This role will drive community engagement, develop education and engagement campaigns and identify known areas of poor Environmental Quality to drive improvement.

Circular Economy Measures

Circular Economy Performance Measures

Off Track
20%

On Track
80%

■ Off Track   ■ Monitor   ■ On Track
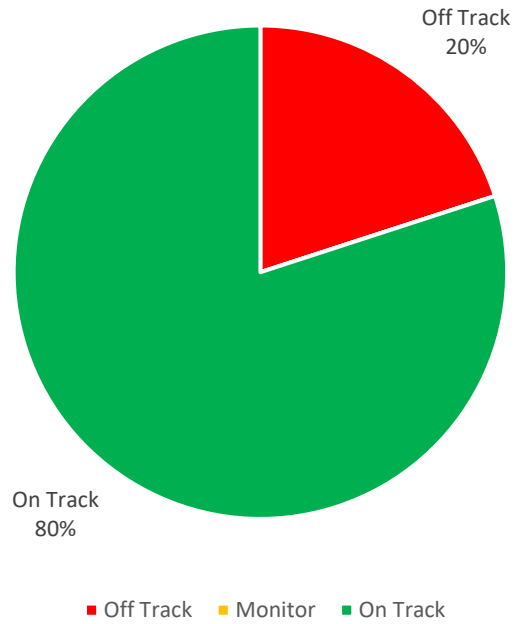
Measures

Area	Title	RAG
Circular Economy	Average Recycling rate across Household Recycling Centres (HRCs)	★
	Number of Repair and Reuse Centres	★
	Percentage of remodeling work at Greenfield completed	★
	Percentage of remodeling work at Standard Yard completed	★
	Percentage of waste reused, recycled or composted	▲

Circular Economy Measures

Average Recycling rate across Household Recycling Centres (HRCs)

SST/002M
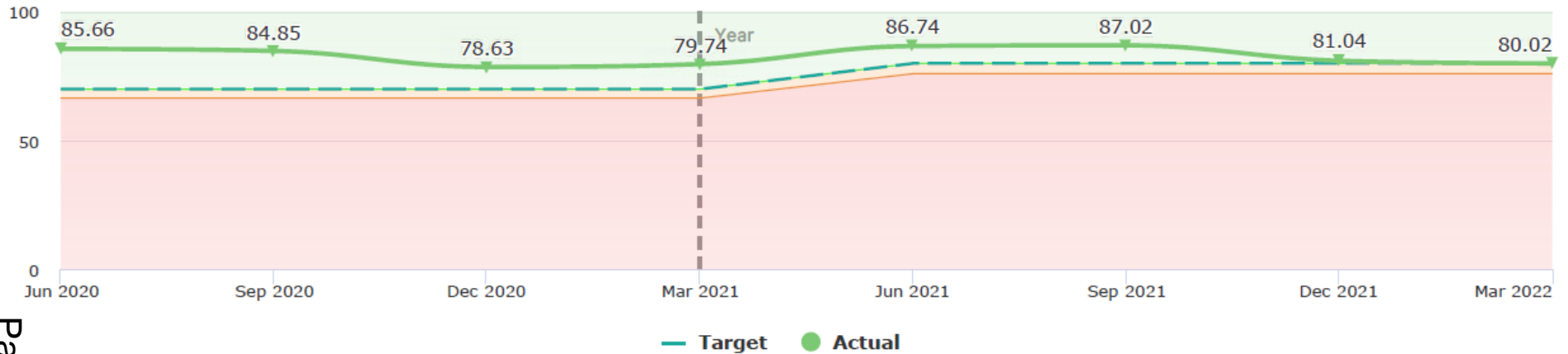
Actual (YTD)	Target (YTD)	Current RAG Rating
80.02	80.00	★

Comment
Household Recycling Centres remained open with appropriate control measures in place including residential checks to ensure only Flintshire residents are using the sites. Tonnages have steadily increased, over the winter months, resulting in an increase of materials brought to site and separated for recycling rather than sent for disposal. Changes to the vehicle permit policy will improve the sites ensuring only Flintshire Household waste is accepted on site, not neighbouring local authorities or trade waste.

Circular Economy Measures

Number of Repair and Reuse Centres

SST/009M
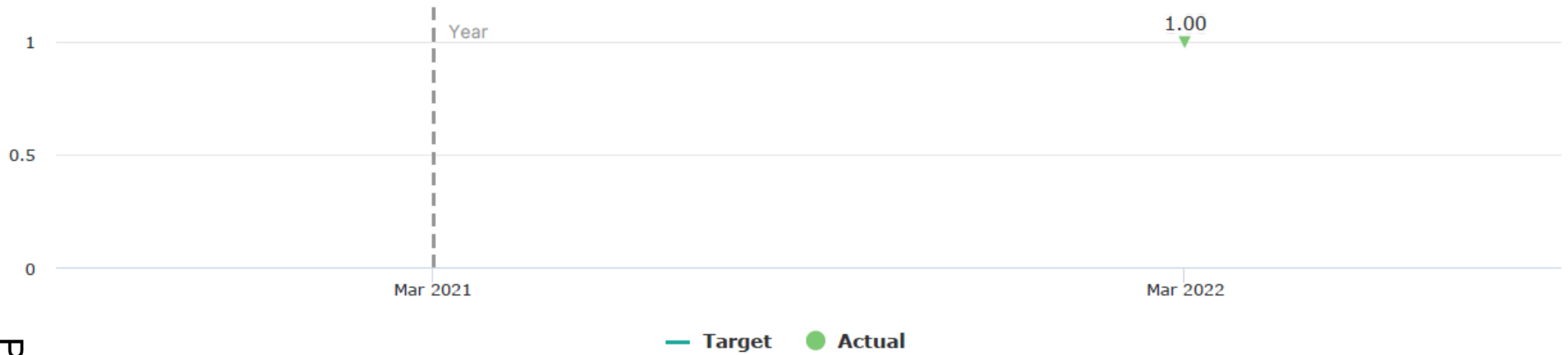
— Target   ● Actual

Page 73

Actual (YTD)	Target (YTD)	Current RAG Rating
1.00	1.00	⭐

Comment
The repair and reuse centre was opened in Buckley in June 2021. Since that time a number of workshops and repair sessions have been held and a programme is being further developed for the coming year.

Circular Economy Measures

Percentage of remodeling work at Greenfield completed

SST/011M
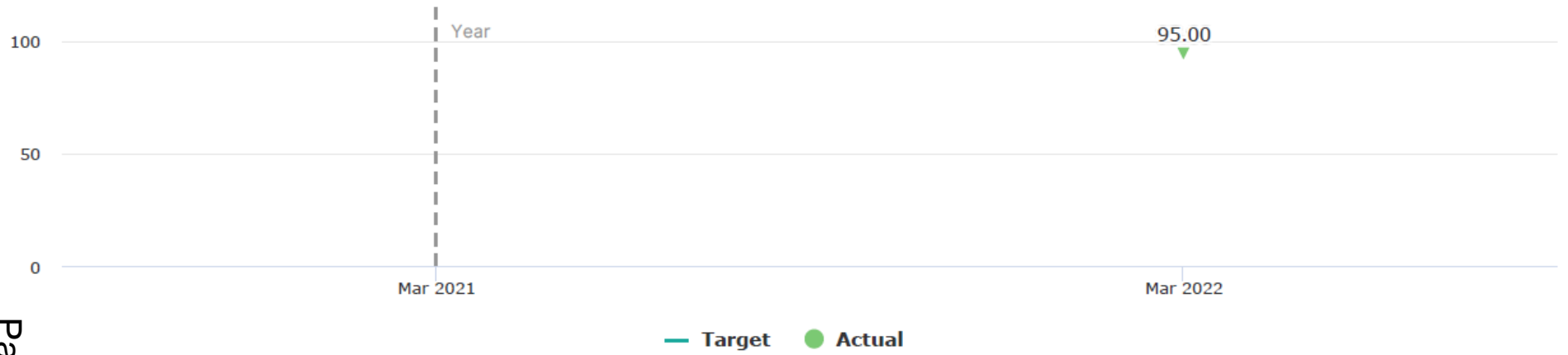
Actual (YTD)	Target (YTD)	Current RAG Rating
95.00	100.00	⭐

Comment
All civil works are complete. Awaiting IT to connect software and computers around the site to complete the project.

Circular Economy Measures

Percentage of remodeling work at Standard Yard completed

SST/012M
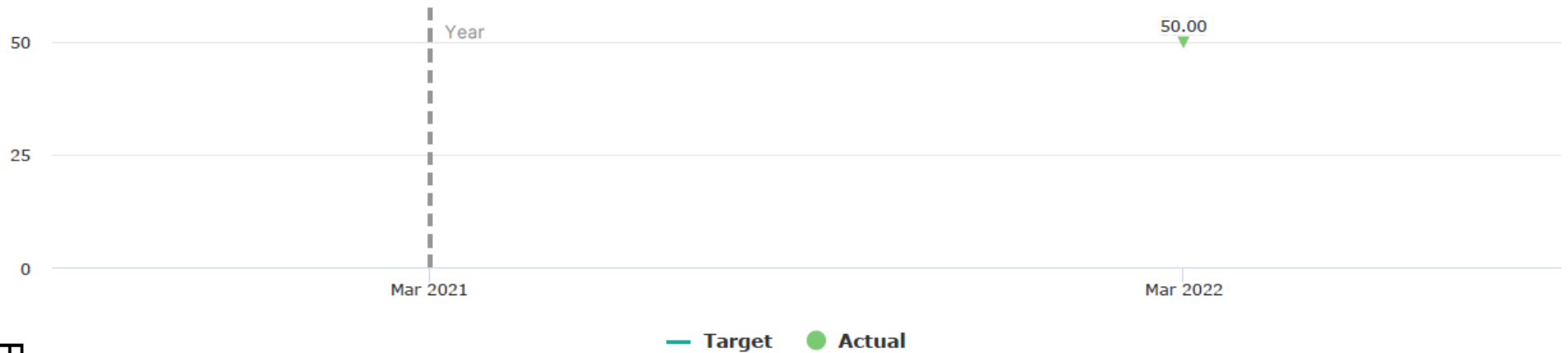
Actual (YTD)	Target (YTD)	Current RAG Rating
50.00	50.00	★

Comment
Standard Yard Project works are progressing on target. We have now successfully received planning and are currently working through the conditions to ensure compliance. To date, two tenders have been sent out and awarded. The tenders are for a new baler/eddy current and the demolition of the existing waste transfer station. The demolition of the waste transfer is now complete and we are working with the baler company to finalise the internal design. We have also instructed Kier Construction to work alongside Mott MacDonald to firm up the costings, design and works programme for the Standard project.

Circular Economy Measures

Percentage of waste reused, recycled or composted

SST/013M
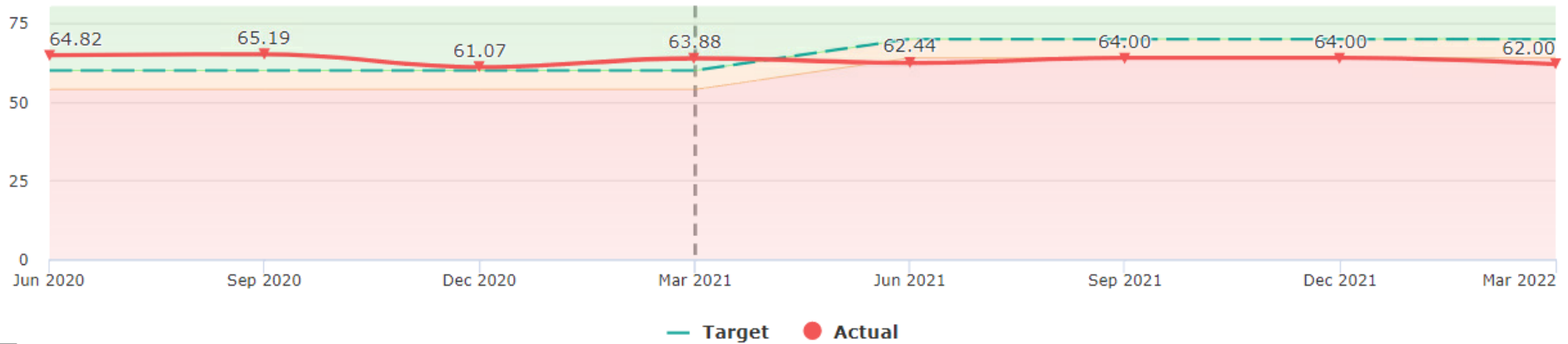
Actual (YTD)	Target (YTD)	Current RAG Rating
62.00	70.00	▲

Comment
Total waste arising has started to decrease in this quarter, which includes both residual and recycling.
Seasonal fluctuations have affected the winter months due to composting decrease. The recycling collected amounts have started to stabilise, however, there was a reduction in some materials as people returned back to the workplace rather than work from home. Th amount of residual (non-recyclable) waste has also started to decrease from last year. This is due to the reintroduction of side waste from September 2021, and further effort to promote recycling. These measures will help reduce residual waste, and increase recycling.
Data is still being finalised for WasteDataFlow reporting and will be updated once the audit process has been completed, as there is a difference in the deadline for the reporting systems.

Economy

Economy Overall Performance

Economy Action RAG Status

Off Track
8%

Monitor
31%

On Track
61%

■ Off Track ■ Monitor ■ On Track
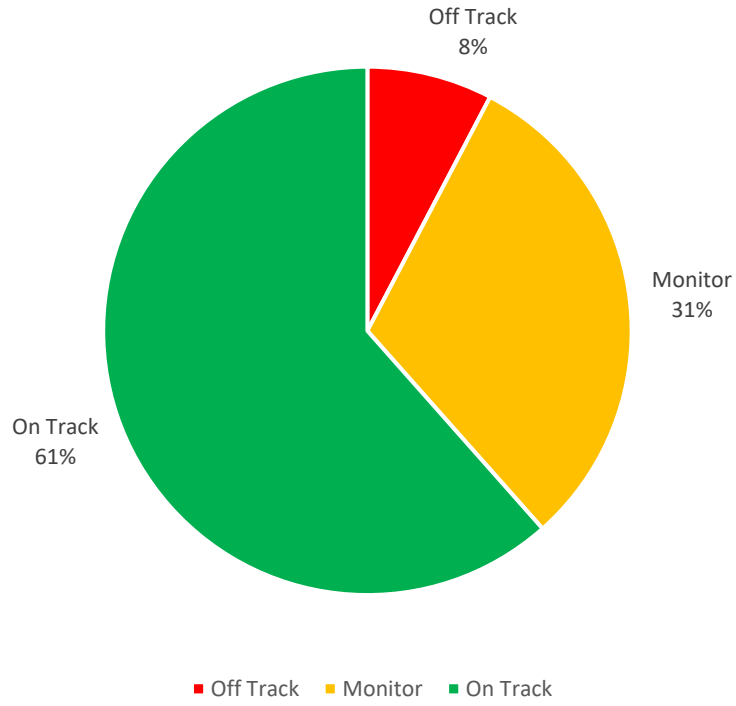
Economy Outcome RAG Status

Off Track
8%

Monitor
34%

On Track
58%

■ Off Track ■ Monitor ■ On Track

Economy Performance Measures

Off Track
50%

On Track
38%

Monitor
12%
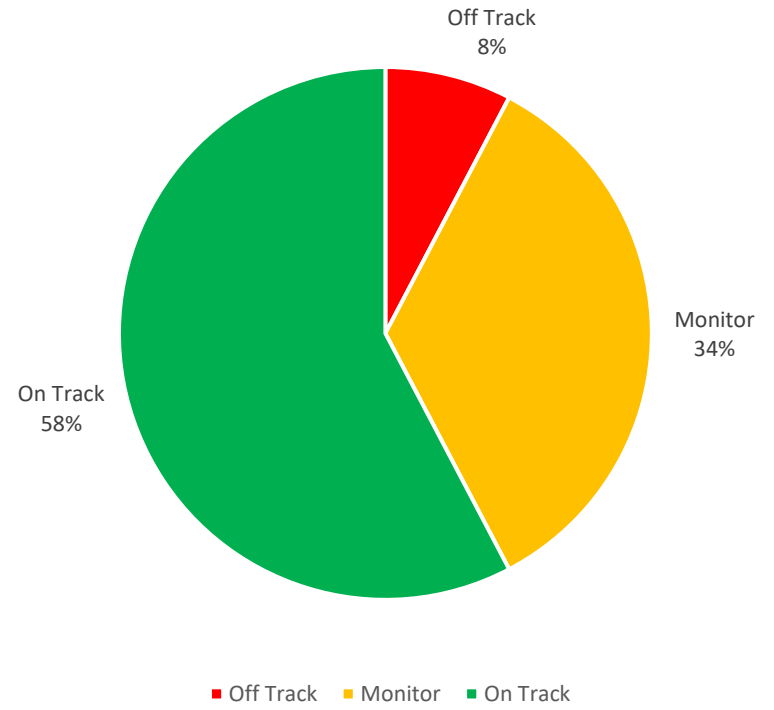
- Off Track
- Monitor
- On Track
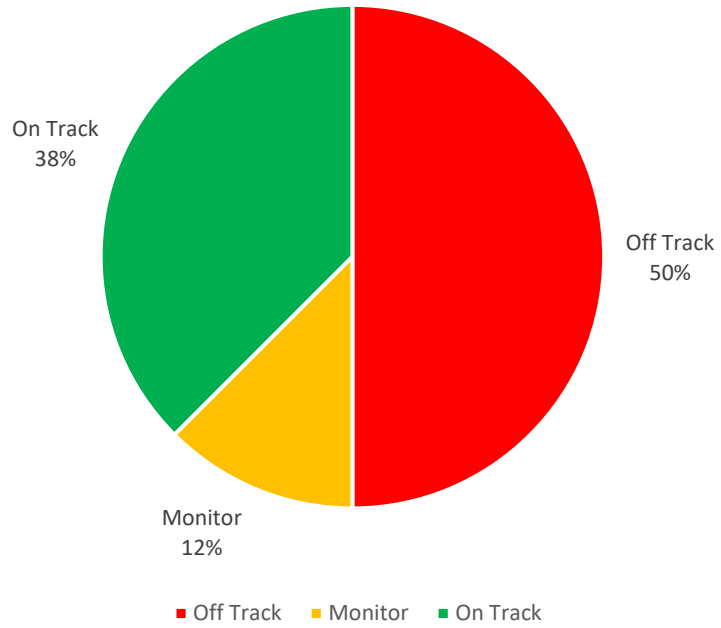
Measures Off Track

Area	Title	RAG
Business	Number of local businesses supported to reduce their carbon footprint and become more resource efficient	▲
Transport and Digital Infrastructure	Number of bus quality partnerships on the core network	▲
Reducing Worklessness	Number of individuals entering employment, learning and volunteering	▲
	Number of individuals receiving support	▲

Town Centre Regeneration Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Encouraging and support investment in town centre properties especially to facilitate more sustainable uses	75%	🟠	🟠	The Council continues to support a number of potential investors to access funding (both grant and loan) for town centre properties. Two projects which were due to be complete in 2021/22 have been delayed and will be delivered early in 2022/23.
Improving the environment in town centres	75%	⭐	🟠	A design firm has been appointed to undertake the public realm improvement proposals in Buckley with consultation recently undertaken and more planned later in the year. Implementation of green infrastructure improvements in Shotton have been delayed by the wider redesign of public realm works in the town and are now due to be implemented in 2022/23. Green infrastructure works in Flint are due on site imminently. A package of improvements to the dock areas in Flint and Shotton are currently being scoped.
Monitoring the health and vitality of town centres to support effective management and business investment decisions	100%	⭐	⭐	Digital footfall monitoring equipment has now been installed in Mold with installation in other towns due in the first quarter of 2022/23.
Promoting town centre, hospitality and tourism businesses to help with their post-Covid recovery	100%	⭐	⭐	Finalised 'Shop Local' feature film and branding. Agreed a communications plan for sharing these assets with town centres. The regional autumn/winter digital campaign has been completed. An evaluation of this campaign is underway and performance data should be available in April 2022 and will be uploaded to quarter one update (2022/23). Supporting the Mold Food and Drink Festival organising group with arrangements for a return of the event in 2022 by being the main Council contact who will liaise with the relevant services at the Local Authority. Internal working group setup to coordinate activities across the Council. A dedicated webpage has been created on the Council website which provides information that event organisers will need to consider if they are planning an event to celebrate the Queen's Platinum Jubilee. Setup an 'events calendar' which has been shared with tourism networks and partners with an invitation for them to add details of 'events' they are aware will be happening this year so that we can promote them on our various platforms.

Action	Percentage Complete	RAG	Outcome RAG	Comment
Supporting the growth of community enterprises in town centre locations	65%	★	★	Over the course of the reporting period, 29 social enterprise support sessions were provided to members of the public wanting to explore social enterprise as an intervention to address social issues across the county. These meetings were distributed among some 15 social entrepreneurs/organisations across Flintshire. In the main, during this reporting period, this support was limited to online support due to the restrictions associated with the pandemic. The support provided included but was not limited to; identification and adoption of appropriate business structures, company registrations, business planning & cash flow forecasting, market research, policy and procedure development, policy and procedure development, preparing for investment, funding applications and preparation of business award entries.

Business Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Engaging small businesses and improve support packages available to them	100%	★	★	The Council now has an officer to engage town centre businesses and to link them to mainstream support provision. Early engagement work has started. It is still early in the process which will continue through 2022/23.
Increasing the scale and impact of the social business sector	100%	★	●	The face-to-face meetings are gradually resuming, in line with social distancing, the Social Enterprise Officer has begun to provide face-to-face business support, advice and guidance to existing and new start social enterprises throughout the reporting period. During this period, 33 business support sessions were delivered to 14 social across Flintshire. The Social Enterprise Officer also worked online with a stakeholder group of Flintshire Social Enterprise on a Social Impact toolkit which will allow both Flintshire County Council and the social enterprise sector empirical evidence of the value of the social initiatives carried out by social enterprises within Flintshire.
Supporting growth of the local and regional food and drink business sector through marketing and collaborative projects	100%	★	★	The North East Wales Food and Drink (Action, Collaboration and Enterprise) project continues to explore and introduce new ways of supporting food and drink producers in North East Wales. The Council has committed match funding to support this project with a second year of activities. Year one targets have been met and will be reported in quarter one (2022/23).
Supporting local businesses in their efforts to reduce their carbon footprint and become more resource efficient	100%	●	●	Progress on this work area has been delayed this year due to capacity being diverted to the delivery of Welsh Government Covid grants to businesses. The Council has now established a new decarbonisation forum for Deeside Industrial Park to support businesses and pilot wider approaches.
Supporting post-Covid recovery of the County's street and indoor markets	100%	★	●	The street and indoor markets have faced challenging conditions through the pandemic with only essential goods stalls able to trade at periods. Trader numbers remain buoyant (Mold indoor market 100% occupied, Mold street market averaging 85 stalls and Holywell six) with new traders replacing those that have left.

Page 82

Action	Percentage Complete	RAG	Outcome RAG	Comment
Supporting recovery of the tourism and hospitality sectors and rebuild confidence in the industry	100%	⭐	⭐	Flintshire Ambassador programme. Three modules written (Heritage & Culture / Sustainable Tourism / Walking & Great Outdoors). Final three modules are being drafted and will be ready in quarter one 2022. Commissioned a bedstock survey so we can have an up-to-date picture on the availability of visitor accommodation and bed spaces in Flintshire. Delivered a familiarisation visit for North East Wales tourism/hospitality businesses, the theme was 'heritage and culture'. 30 businesses attended with further visits being planned in 2022. Ongoing promotion of the Enterprise Renewal Fund which is available for businesses from all sectors to support post-Covid activities. A council representative is a member on the evaluation panel for this fund.

Business Measures

Business Performance Measures

Off Track
33%

On Track
67%

■ Off Track ■ Monitor ■ On Track
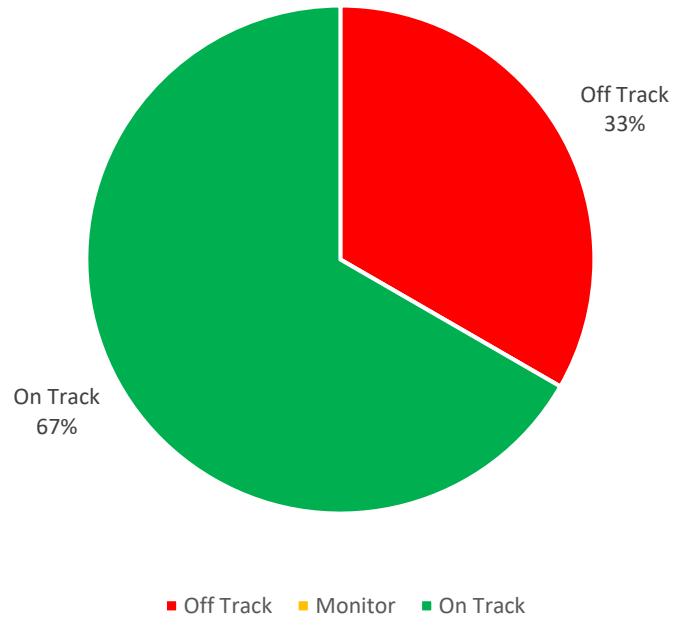
Measures

Area	Title	RAG
Business	Number of local businesses supported to reduce their carbon footprint and become more resource efficient	▲
	Number of small or micro businesses receiving support	★
	Number of social enterprises receiving support	★

Business Measures

Number of local businesses supported to reduce their carbon footprint and become more resource efficient

PEE/006M

Actual (YTD)	Target (YTD)	Current RAG Rating
10.00	30.00	▲

Comment
Progress on this work area has been delayed this year due to capacity being diverted to the delivery of Welsh Government Covid grants to businesses. The Council has now established a new decarbonisation forum for Deeside Industrial Park to support businesses and pilot wider approaches.

Business Measures

Number of small or micro businesses receiving support

PEE/007M
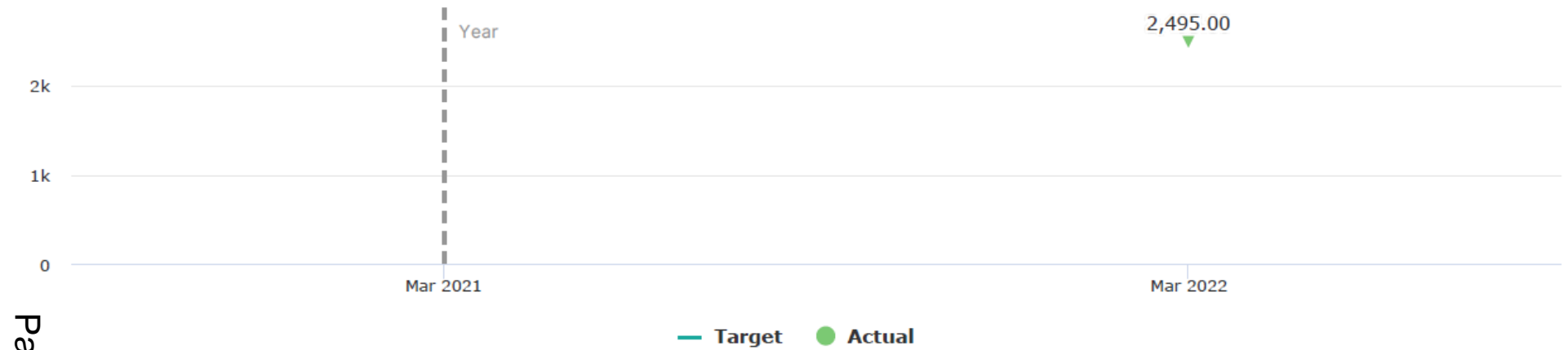
Actual (YTD)	Target (YTD)	Current RAG Rating
2,495.00	300.00	⭐

Comment
Support to small businesses this year has included: delivering Flintshire in Business events; supporting investment enquiries; providing coaching and mentoring; issuing grants; and day-to-day requests for support.

Business Measures

Number of social enterprises receiving support

PEE/008M
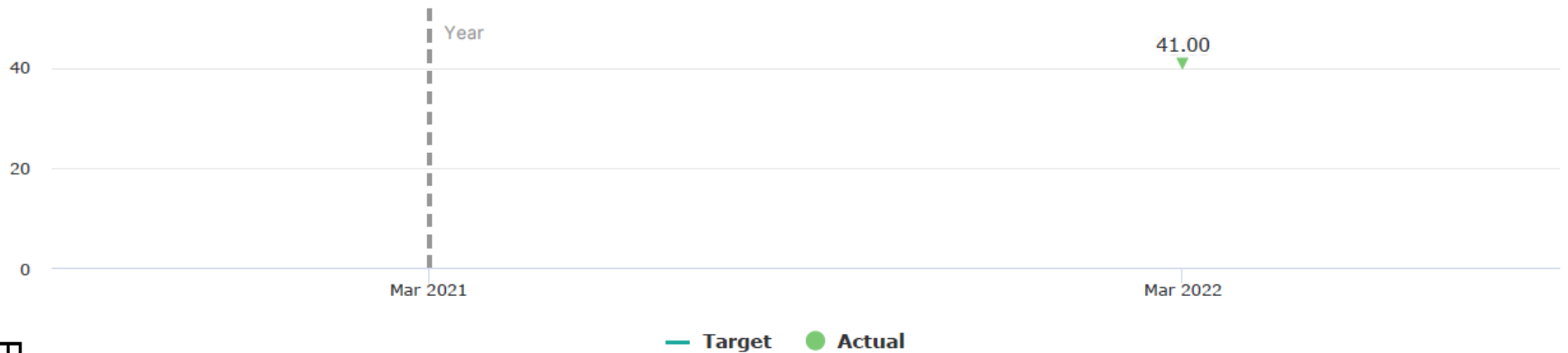
Actual (YTD)	Target (YTD)	Current RAG Rating
41.00	45.00	★

Comment
Over the course of the year, 139 social enterprise support sessions were provided to members of the public wanting to explore social enterprise as an intervention to address social issues across the county. These sessions were delivered to some 41 social entrepreneurs/organisations across Flintshire. Sessions were held remotely during the lockdowns associated with the Covid pandemic. This impacted negatively on the amount of time it took to complete sessions often due to lack of IT skills of participating members of the public.

Transport and Digital Infrastructure Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Completing the connection of all eligible public buildings through the Local Full Fibre Network Project	100%	★	★	The Local Full Fibre Project is now complete. The overwhelming majority of buildings originally identified for connection will have been completed. A small number of buildings will be removed from scope due to technical constraints or because other programmes will enable their connection.
Connecting further rural communities to improved digital infrastructure	100%	●	★	The funding for the Rural Broadband Officer has been confirmed for another two years however the officer shared between Wrexham and Flintshire has secured alternative employment. Recruitment into the role will take place early in 2022. Eligibility for Community Fibre Partnership projects is under review as UK Government and BT Openreach plan further commercial fibre programmes.
Developing and delivering transport infrastructure improvements as part of North Wales Metro programme and the Council's Integrated Transport Strategy	45%	●	★	Progression of the North Wales Metro and in-year transport schemes have been restricted due to ongoing land negotiations and supplier availability, however, the Park & Ride facility on Zone 2 Deeside Industrial Park has now been completed.
Ensuring Flintshire strategic transport priorities are well-represented in the Regional Transport Plan from the forthcoming Corporate Joint Committee development	50%	★	★	This is a longer term action. Following the publishing of Welsh Government's (WG) New Wales Transport Plan, we are in the process of reviewing our own Integrated Transport Strategy. Once complete, this will form the basis of Flintshire's forthcoming Regional Transport plan submission. An all-members workshop is scheduled in 2022 to kick start this review.
Starting delivery of the local plans within the North Wales Growth Deal for digital infrastructure	100%	★	★	The Council continues to be represented on the key programme and project boards for the delivery of Growth Deal projects.

Transport and Digital Infrastructure Measures

### Transport and Digital Infrastructure Performance Measures

On Track
33%

Off Track
34%

Monitor
33%

■ Off Track   ■ Monitor   ■ On Track
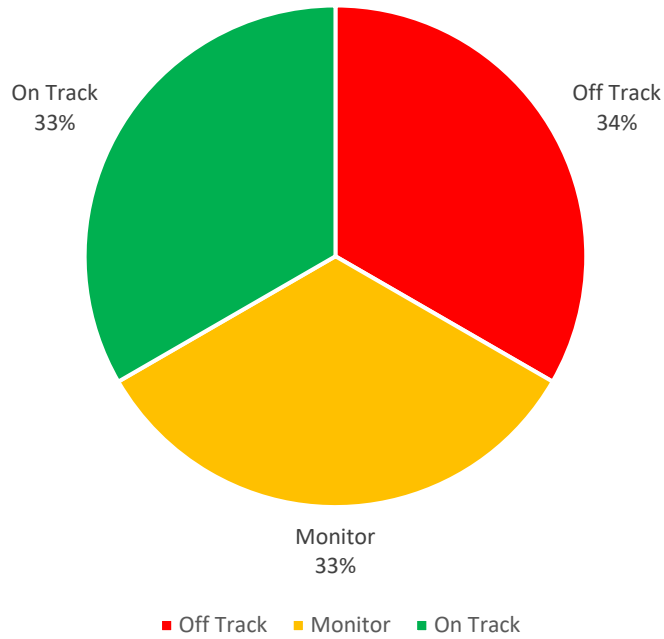
Measures

Area	Title	RAG
Transport and Digital Infrastructure	Number of Local Travel Arrangements (LTAs) in geographical areas of the County	🟠
	Number of bus quality partnerships on the core network	🔺
	Number of households supported to improve connectivity	N/A
	Number of schemes delivered through the Welsh Government Active Travel Fund	⭐

Transport and Digital Infrastructure Measures

Number of Local Travel Arrangements (LTAs) in geographical areas of the County

Number of Local Travel Arrangements (LTAs) in geographical areas of the County
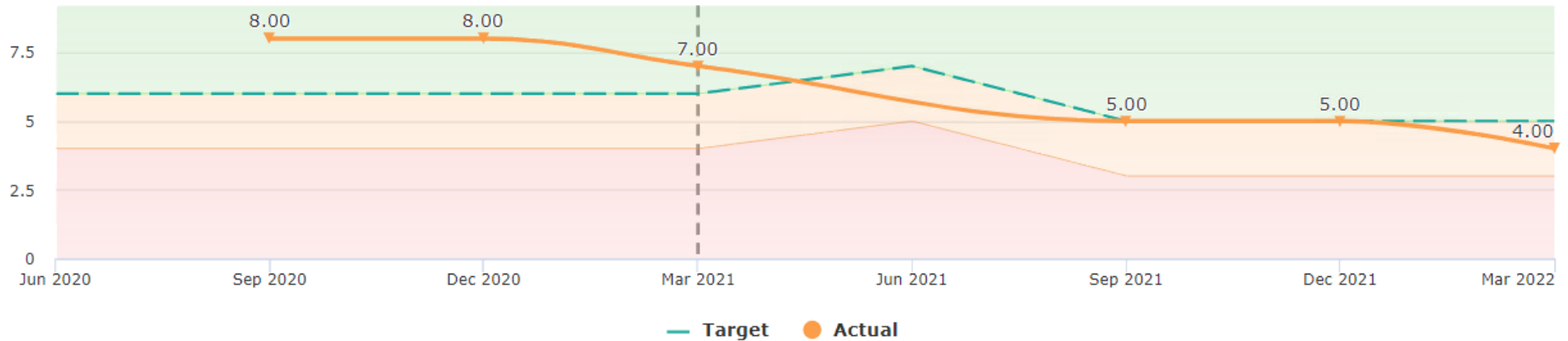
— Target ● Actual

Page 90

Actual (YTD)	Target (YTD)	Current RAG Rating
4.00	5.00	●

Comment
There are currently three Local Travel arrangements in place, the LT4, LT7 & LT8. The LT1,2 & 3 were replaced with the Holywell Fflecsi Service. The Holywell Fflecsi service has proven extremely successful with increased passenger numbers. More importantly, 45% of the passengers are new to the service and from areas where there were no previous bus services available, working towards the service delivery aim of reducing Flintshire residents isolation in our more rural communities.   Following the successful introduction of the Fflecsi service in Holywell, work is progressing to review the current local travel arrangement in Buckley (LT4) with the view to replace the current local travel arrangement with a Fflecsi service in June 2022. Work is still being progressed with the current Fflecsi service in Holywell to extend the service area map to increase patronage further.

Transport and Digital Infrastructure Measures

Number of bus quality partnerships on the core network

SST/007M

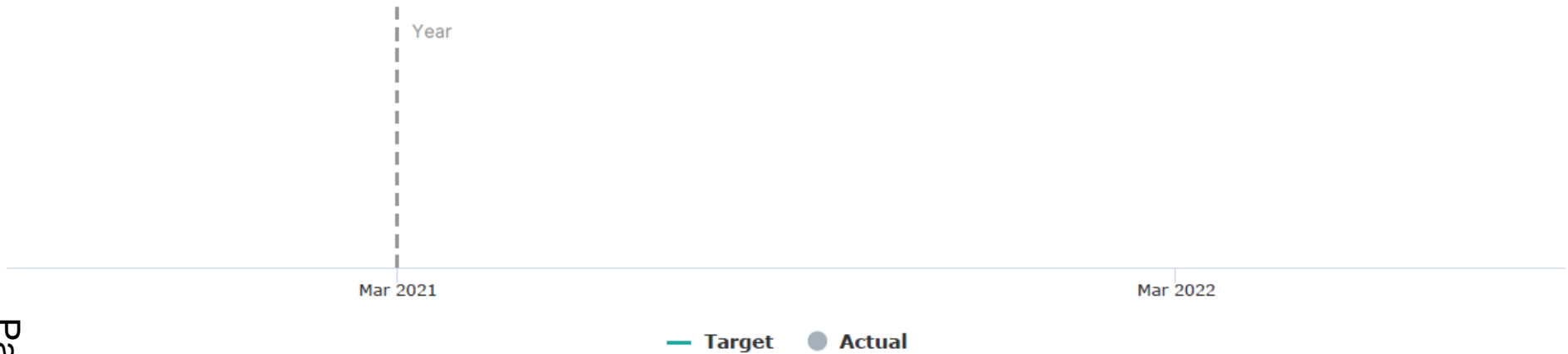| Actual (YTD)	Target (YTD)	Current RAG Rating
0.00	1.00	▲

Comment
The development of the Quality Bus Partnership has been suspended due to national initiatives that will change the way bus services are managed and operated in the future. Transport for Wales (TfW) are undertaking a network review of bus services across north Wales and, whilst the initial report was expected in May 2021, this piece of work has been delayed due to the white paper consultation issues by Welsh Government on bus reform in Wales. This white paper sets out proposals for public transport bus services to better plan and grow the bus network. This will ensure it meets public needs, maximise the value we get for our investment in bus services and reduce reliance on private cars.

Transport and Digital Infrastructure Measures

Number of households supported to improve connectivity

PEE/002M

Actual (YTD)	Target (YTD)	Current RAG Rating
N/A		N/A

Comment
The Council has undertaken a programme of work to support households to improve their digital connectivity. On a community basis, support has been given to a number of groups to develop their proposals for Community Fibre Partnerships. One of these reached fruition (Halkyn) while the others are awaiting clarification from UK Government and BT Openreach following changes to the funding regime. On an individual basis, the project officer reached out to households across the County who were struggling with connectivity and provided one to one advice to them to help them to identify options to improve their connectivity. Unfortunately, the officer who was employed by Wrexham CBC, has left their employment and numerical data for the programme is unavailable.

Transport and Digital Infrastructure Measures

Number of schemes delivered through the Welsh Government Active Travel Fund

Number of schemes delivered through the Welsh Government Active Travel Fund

— Target ● Actual

Actual (YTD)	Target (YTD)	Current RAG Rating
3.00	1.00	★

Comment
Of the three initial active travel schemes being implemented through the Active Travel Fund, Greenfield Valley (Phase 3) and Hawarden Cycle Bridge upgrade has been completed. A third scheme (Airbus to Saltney Ferry link) has been rolled forward into the next financial year in agreement with Welsh Government. In addition, Active Travel slippage funding has been obtained in year for the completion of rural Active Travel improvements in Caerwys.

Local Development Plan (LDP) Targets Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Ensuring timely adoption of the Local Development Plan once Inspector's Report received	75%	🟠	🟠	Local Development Plan (LDP) submitted for Examination November 2020 in line with Delivery Agreement. Commencement of Examination of LDP delayed several times by Inspectors and progress delayed further by the need to address the 'phosphates' issue raised by Natural Resources Wales. Examination Hearing Sessions now finished but Inspector raised further concerns relating to phosphates which required a comprehensive response by the Council. The Inspectors finally agreed to the Council's approach regarding phosphates and to give the go ahead for Council to consult on the Matters Arising Changes (MACs) on 25 January 2022. This did not give sufficient time to secure Cabinet approval for the MACs to go out to public consultation without the six week consultation period encroaching into the pre-election period for the May local government elections. This will result in a delay of several months in receiving the Inspectors binding Report. It must be stressed that the Examination phase of the LDP preparation process is the remit of the Inspectors and outside of the direct control of the Council.
Maintaining and update the Local Development Plan housing trajectory in line with planning decisions made	75%	🟠	🟠	The Council cannot formally update the housing trajectory until the Local Development Plan (LDP) has been adopted. However, the Council has produced a housing trajectory for April 2020 which has been agreed by the Inspectors as part of the Matters Arising Changes. Officers are continuing to undertake annual housing land monitoring each April in order to inform future updates of the housing trajectory as part of the plans monitoring arrangements, once the LDP is adopted.
Making decisions at Planning Committee in line with the adopted Local Development Plan	0%	🔺	🔺	The Local Development Plan (LDP) cannot form the statutory development plan for making either decisions at Planning Committee or delegated decisions until it is adopted by the Council. The adoption of the LDP will be delayed by several months as the Matters Arising Changes, arising from the Examination Hearing Sessions, have been unable to be consulted upon ahead of the May local government elections.
Monitoring overall Plan performance via the Annual Monitoring Report (AMR) and submit to Welsh Government	75%	🟠	🟠	The Local Development Plan (LDP) cannot be monitored on an annual basis until it has been adopted. The monitoring chapter within the LDP has been the subject of discussion at an Examination Hearing Session and minor amendments agreed with the Inspector. These amendments will be consulted upon as part of the Matters Arising Changes (MACs), ahead of the Inspector issuing their Report on the Examination. Consultation on the MACs has been delayed by several months as consultation could not be commenced until after the May local government elections. The Council will though have in place the monitoring arrangements as part of the adopted LDP, to ensure effective annual monitoring.

Action	Percentage Complete	RAG	Outcome RAG	Comment
Referencing the Local Development Plan growth strategy in early work on a North Wales Strategic Development Plan (SDP)	0%	▲	▲	Work has not yet commenced on a North Wales Strategic Development Plan (SDP). It is not anticipated that the Corporate Joint Committees (CJC) will be set up until spring 2022.

Local Development Plan (LDP) Targets Measures

Number of calendar weeks for the adoption of the Local Development Plan following receipt of the Inspector's report

PEE/001M
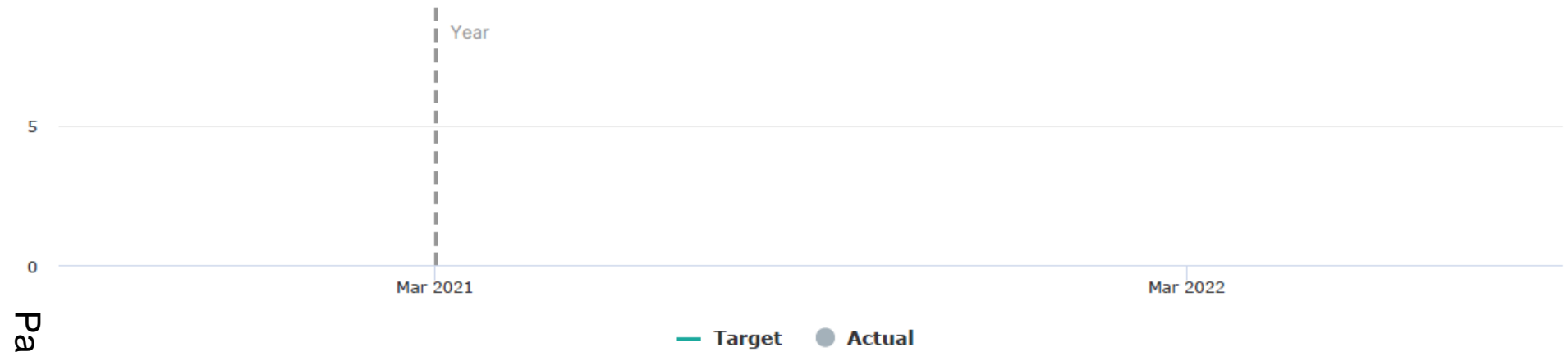
Actual (YTD)	Target (YTD)	Current RAG Rating
N/A	8.00	N/A

Comment
The Council must adopt its Local Development Plan within 8 weeks of receipt of the Inspector's Report. Because of inspector delays and the Elections as reported in updates for other measures, we cannot say when we will receive the Inspector's report as yet.

Spending Money for the Benefit of Flintshire Actions

| Action	Percentage Complete	RAG	Outcome RAG	Comment
Encouraging and supporting commissioners and suppliers to generate additional well-being outcomes	50%	★	★	The previous social value performance update was presented to Chief Officer Teams in October 2021, therefore the current data available within the system remains up to date and relevant. A further social value update was provided to Chief Officer Teams, Corporate Resources Overview and Scrutiny Committee and Cabinet in February 2022. The report highlighted the key performance indicators achieved between January and September 2021 as disclosed within the previous performance data report, the challenges felt by the programme and the further opportunities to enhance the programme in order to further maximise the generation of social value across the Council, it's services and expenditure. As part of the report, a proposal to scale back performance reporting was proposed in order to secure an achievable social value work programme for 2022/23, given the available resource in place. This proposal was formally agreed by Chief Officers Teams and Formal Cabinet in February 2022. Consequently, the next social value performance report will be presented to Chief Officer Teams in June 2022, in line with the Council's next procurement spend performance review specific to quarter four. The social value performance report will include performance data for quarter two, quarter three and quarter four which will be reported within the system following the update to Chief Officer Teams.
Increasing the ability and confidence of local businesses to supply the public sector	75%	●	●	Engagement has started with businesses on a potential Dynamic Purchasing Solution for domestic energy goods and services ready for procurement later in 2022. Further work on wider opportunities is required.
Reporting of the strategic well-being outcomes across the Council in place	100%	★	★	The Council now has a robust software system to monitor the achievement of the strategic well-being outcomes through goods and services delivered on the Council's behalf by suppliers (social value).

Spending Money for the Benefit of Flintshire Measures

Monetary value of community benefits as measured against the Flintshire Themes Outcomes and Measures (TOMs) Framework

Monetary value of community benefits as measured against the Flintshire Themes Outcomes and Measure

Actual (YTD)	Target (YTD)	Current RAG Rating
N/A		N/A

Comment
The next social value performance report will be presented to Chief Officer Teams in June 2022, in line with the Council's next procurement spend performance review specific to quarter four. The social value performance report will include performance data for quarter two, quarter three and quarter four, and which will be reported within the system following the update to Chief Officer Teams.

Spending Money for the Benefit of Flintshire Measures

Number of contracts delivering community benefits

Number of contracts delivering community benefits

Actual (YTD)	Target (YTD)	Current RAG Rating
N/A		N/A

Comment
The next social value performance report will be presented to Chief Officer Teams in June 2022, in line with the Council's next procurement spend performance review specific to quarter four. The social value performance report will include performance data for quarter two, quarter three and quarter four, and which will be reported within the system following the update to Chief Officer Teams.

Reducing Worklessness Actions

Action	Percentage Complete	RAG	Outcome RAG	Comment
Co-ordinating a multi-agency approach to support businesses to recruit people from disadvantaged groups	100%	⭐	⭐	During quarter four, planning for our annual job fair continued, due to take place on 28 April 2022 at Deeside Leisure centre. The Jobs, Skills & Training Events group including Jobcentre Plus and Careers have met regularly to plan and promote the event to the wider community. Interest from employers has been excellent and the event looks to be another successful multi-agency collaboration supporting individuals across Flintshire who are looking to gain employment or a change of career. In January, Communities for Work supported a Recruitment Open Day at Saica Flex on Deeside industrial estate to aid recruitment of their 27 vacancies including roles in production, customer service, ink technicians, warehouse operatives and plate makers. Sessions included a company presentation, factory tour and a question & answer opportunity with management from various departments. A number of interviews were secured at the event.
Delivering mentoring and wider support programmes to assist disadvantaged people to re-engage with the labour market	100%	⭐	⭐	During quarter four, Communities for Work in partnership with Department for Work and Pensions and Careers Wales supported the Mitie redundancies in a two-day event on 22-23 March. Mitie were managing 178 Covid testing sites across Wales which were set to close on the 31 March resulting in over 150 redundancies at their Deeside sites. Through this multi-agency approach, individuals being made redundant were able to access the support from all providers as well as employers who were there on the day with vacancy opportunities.

Reducing Worklessness Measures

Reducing Worklessness
Performance Measures

Off Track
100%

■ Off Track ■ Monitor ■ On Track
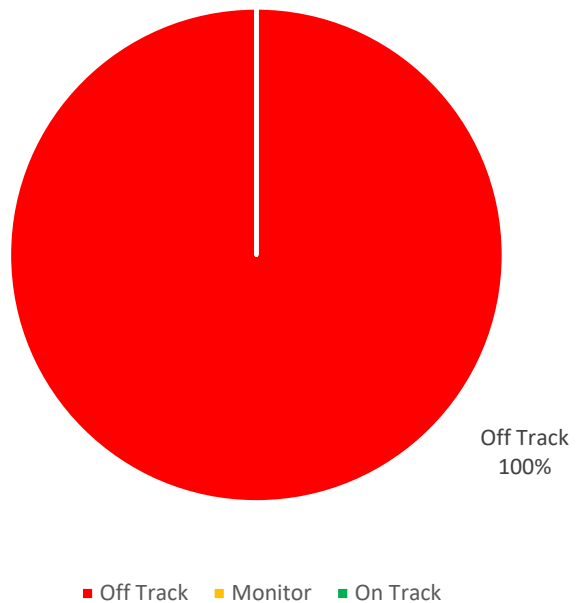
Measures

Area	Title	RAG
Reducing Worklessness	Number of individuals entering employment, learning and volunteering	▲
Reducing Worklessness	Number of individuals receiving support	▲

Reducing Worklessness Measures

Number of individuals entering employment, learning or volunteering

PEE/003M

Actual (YTD)	Target (YTD)	Current RAG Rating
39.00	87.00	▲

Comment
Overall, numbers entering the employability programmes have been lower this year as the impact of the pandemic on the labour market has been less than feared. As a result, leaver numbers are also lower than forecast. During quarter four, 39 individuals who were signed up to the Communities for Work programme were successful in gaining employment. The successful employment sectors included retail, construction (multiskilled operatives), security, care work and logistics. Throughout the quarter a number of training and work experience opportunities had been made available to clients including a five day Social Care pathway, Health and Safety Level 1 in construction training along with a Hospitality pathway which included training in Food Safety, Customer service and barista.

Reducing Worklessness Measures

Number of individuals receiving support

PEE/004M

Actual (YTD)	Target (YTD)	Current RAG Rating
86.00	200.00	▲

Comment
During quarter four, 86 individuals registered with the Communities for Work programme in Flintshire and were assigned an employment mentor. Opportunities for engagement during this quarter included a specific social care recruitment event held in February at Ty Calon in Queensferry to support care providers who are struggling to recruit staff in this area and to provide job seekers with a platform to talk to employers direct. A partnership event at the Xplore Science Discovery Centre in Wrexham took place during March to support anyone interested in a career in the transport sector. Local training providers were on hand for individuals to find out what is involved and what opportunities are available. Employers also attended to give an overview of their companies and the different roles they have within. Communities for Work continued to support a community drop-in held at St. Peter's Church in Holywell offering advice and guidance to anyone wanting to get back into work.

This page is intentionally left blank

Sir y Fflint Flintshire COUNTY COUNCIL

Environment and Economy Overview and Scrutiny Committee

Date of Meeting	5th July 2022
Report Subject	Food Service Plan 2022-23 for Flintshire County Council
Cabinet Member	Cabinet Member for Planning, Public Health and Public Protection
Report Author	Helen O'Loughlin
Type of Report	Operational

EXECUTIVE SUMMARY

The Food Service Plan provides an overview of the Food Service in line with The Framework Agreement on Official Feed and Food Controls by Local Authorities April 2010. The plan sets out the aims and objectives for the Service for the forthcoming year and how these are to be achieved.

RECOMMENDATIONS	
1	To approve the Food Service Plan 2022-23.

REPORT DETAILS

1.00	EXPLAINING THE FOOD PLAN FOR FLINTSHIRE COUNTY COUNCIL 2022-23
1.01	Local Authorities throughout the U.K. have been directed by the Food Standards Agency (FSA) to take the necessary action to implement the Framework Agreement on Official Feed and Food Controls by Local Authorities. This Framework Agreement became operational from 1st April 2001. The Framework has been developed to ensure a consistent food law enforcement service throughout the country.
1.02	The Service Plan has been produced by officers of the Food Safety and

		Standards Team and Animal Health Team within the Planning, Environment and Economy portfolio in line with the model format contained within the Framework Agreement. It outlines the proposals for service delivery for the period 1st April 2022 to 31st March 2023. It also contains a review of the service performance for 2021-22 with overall performance for 2021-22 detailed in Appendix 3 within the Service Plan.
1.03		The elements of the Food Service, namely Food Safety, Food Standards and Animal Feed are managed by the Team Manager – Food Safety and Food Standards, who reports in to the Community and Business Protection Manager.
1.04		Key achievements for 2021-22 include: • All programmed inspections were achieved • Significant progress was made in relation to moving at a faster pace than the minimum requirements set out in the Food Standards Agency COVID-19 Local Authority Recovery Plan: guidance and advice to local authorities for the period from 1 July 2021 to 2023/24 • Focussed auditing of shellfish registration document completion was undertaken which increased the compliance levels and improved traceability through the food chain • All officers within the Food Safety and Food Standards areas completed the required number of Continuing Professional Development hours required by the Food Law Code of Practice • All fishing vessels were inspected Targets for 2022-23 are: • To complete all programmed inspections in line with the FSA Recovery Plan deadlines • To complete all overdue and due Category C Food Hygiene inspections • To complete all Category B and Category C Food Standards inspections that are due in Category C Food Hygiene premises • To further support micro businesses in the new requirements for Prepacked for Direct Sale foods as per the amendment to the Food Information (Wales) Regulations 2014 • To ensure all officers across the service complete the required number of Continuing Professional Development hours required by the Feed Law Code of Practice

2.00	RESOURCE IMPLICATIONS
2.01	The cost of implementing the plan will be met within the existing Planning, Environment and Economy portfolio budget.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The Plan follows the 'farm to fork' principle to ensure food is safe for consumption by all.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None

5.00	APPENDICES
5.01	Food Service Plan 2022 - 23

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Helen O'Loughlin, Team Manager – Food Safety and Food Standards **Telephone:** 01352 703390 **E-mail:** helen.o'loughlin@flintshre.gov.uk

8.00	GLOSSARY OF TERMS These are provided corporately on the Infonet (link) and maintained by the Executive Office
	Food Standards Agency Wales - is a non-ministerial government department supported by seven agencies and public bodies. It is the central competent authority for the UK in relation to European Union food legislation. In Wales, it is responsible for Food Safety and Hygiene and Food Labelling Policy. It works with local authorities to enforce Food Safety, Standards and Feed regulations. **The Framework Agreement on Official Feed and Food Controls by Local Authorities** - sets out what the Food Standards Agency expects from local authorities in their delivery of official controls on feed and food law. It was developed in consultation with local authorities, local government associations and the relevant professional bodies. **COVID-19 Local Authority Recovery Plan: guidance and advice to local authorities for the period from 1 July 2021 to 2023/24** – sets out the guidance and advice to local authorities with the aim of ensuring that during the period of recovery from the impact of COVID-19, that local authority resources are targeted to where they had greatest value to provide safeguards for public health and consumer protection in relation to food. It also aims to safeguard the credibility of the Food Hygiene Rating Scheme. The Recovery Plan provides a framework for re-starting the

delivery system in line with the relevant Food Law Code of Practice. It focuses on new food establishments and high-risk or non-compliant businesses and allows flexibility to be applied to lower risk premises.

Food Law Code of Practice (Wales) July 2021 - the Food Law Code of Practice is issued under section 40 of the Food Safety Act 1990 (the Act), regulation 24 of the Food Hygiene (Wales) Regulations 2006,1 and regulation 6 of the Official Feed and Food Controls (Wales) Regulations 2007, and sets out the execution and enforcement of that legislation by Food Authorities. It relates to Wales only. The code specifies how a local authority should risk rate a food business following its inspection which determines the frequency of food hygiene and standards inspections of that business. For Food Hygiene there are five risk bands A – E, for Food Standards there are three risk bands, A – C.

Feed Law Code of Practice (Wales) 2014 - sets out instructions and criteria to which local authorities 'the feed authorities' should have regard when engaged in the enforcement of animal feed law. Feed authorities must follow and implement the provisions of the Code that apply to them.

FOOD SERVICE PLAN

2022-2023

FLINTSHIRE COUNTY COUNCIL
FOOD SERVICE PLAN 2022-23

INTRODUCTION

The Service Plan relates to the year commencing 1st April 2022 and ending 31st March 2023.

It covers the service provision for the Food Safety, Food Standards and Feed functions of Flintshire County Council.

The purpose of this Plan is to provide:

• Information about the scope of the Service.

• Information about the services provided.

• Information about the means of Service provision.

• Information about performance of the Food Service against Performance Targets set out in the Plan as well as against national or locally defined Performance Indicators.

• Information relating to reviewing performance in order to address any variance from meeting the requirements of the Service Plan.

Service Plans are usually produced annually to allow for meaningful review and progression, in accordance not only with the requirements of the Food Standards Agency (FSA) "Framework Agreement on Local Authority Food Law Enforcement" but also with the principles of the "Wales Programme for Improvement". In respect to Feed, this function is delivered as part of the FSA Funded North Wales Regional Feed Enforcement Delivery Plan, with all inspection and sampling targets being reviewed and set annually by FSA Wales. However, the effect of the COVID-19 pandemic on service delivery has lead to it being severely impacted through 2021-22.

This Service Plan also forms part of the Authority's commitment to delivering the aspirations of the Local Service Board to provide citizen centred services and to work in collaboration and co-operation.

FLINTSHIRE COUNTY COUNCIL
FOOD SERVICE PLAN 2022-23

CONTENTS	Page No.

1.0 SERVICE AIMS AND OBJECTIVES

1.1 Aims and Objectives

The <u>aims</u> of the Food Service are to:

1. Promote, through education and enforcement, the sale and/or production of food which is fit and without risk to health.

2. Prevent and control the spread of food borne illness through education and enforcement.

These will be achieved by:

(a) Providing a complete and holistic food law enforcement service covering the areas of food hygiene and safety, food standards and animal feed in accordance with relevant food legislation and Codes of Practice, thereby fulfilling statutory obligations.

(b) Providing a responsive service to demand driven elements such as food safety incidents, outbreaks of food related infectious disease, complaints and request for advice from both businesses and members of the public, in accordance with relevant statutory Codes of Practice

(c) Assisting businesses to comply with all relevant legislation by using a balance of techniques and approaches in order to ensure the safety and well being of the Public and of the environment in line with the Public Protection Enforcement Policy 2010.

(d) Maintaining an up-to-date database of all food establishments in the County so that resources can be effectively defined and utilised to meet statutory, national and locally defined targets of inspection, sampling, specific initiatives and tasks set by FSA Wales, other agencies, or based on local need.

(e) Providing an open and transparent Food Service with clear lines of communication for all service users.

1.2 Links to Corporate Objectives and Plans

The Food Service links to the Well Being Plan and the Council Plan. There are five key priorities contained in the Well Being Plan, these are:

- Community Safety
- Economy and Skills
- Environment
- Healthy and independent Living
- Resilient Communities

The Food Service Plan has direct links with the Council Plan 2017 – 2023. The Council Plan sets out the full list of the Council's seven priorities for the period 2017 – 2023. Each year, sub-priorities are chosen which will receive significant attention over a particular year and where we will make a bigger impact.

The Food Service sits within the Community and Business Protection Service of the Planning, Environment and Economy Portfolio. Each Service area within Community and Business Protection writes annual Operational Action Plans, which have been informed by a range of external and internal drivers and through a greater focus on robust risk assessment, intelligence led intervention, targeting and performance management. All team members contribute to devising the Operational Action Plans for each Service Area. Due to the impact on service delivery of the pandemic, this plan also links in with the Portfolio Business Recovery Plan and the Risk Register for the COVID-19 response.

Food and Feed Law regulation is a statutory duty of the Council. Targets to be achieved are set in relation to both National Performance Accountability Measures and Service Improvement Data. A Corporate Performance Management System termed InPhase, monitors performance of all services within the Council. The areas reported on are the Performance Accountability Measure, "the percentage of premises Broadly Compliant with Food Hygiene Legislation". This is reported annually.

The following Service Improvement Data is also usually monitored and reported on within the Service Plan:

(a)   Percentage of Food Safety inspections undertaken
(b)   Percentage of Food Standards inspections undertaken
(c)   Percentage of new businesses inspected for Food Safety and Food Standards
(e)   The percentage of Feed inspections carried out
(f)   The percentage of new businesses inspected for Feed

The Food Service will continue to implement performance management systems to improve the efficiency and effectiveness of service delivery in a meaningful way to the citizens of Flintshire. For this financial year, the performance monitoring will focus on the performance of the service against the Food Standards Agency COVID-19 Local Authority Recovery Plan: guidance and advice to local authorities for the period from 1 July 2021 to 2023/24. This is to ensure our resources are targeted where they add the greatest value in providing safeguards for public health and consumer protection in relation to food and to maintain the credibility of the Food Hygiene Rating Scheme.

2.0 BACKGROUND

2.1 Authority Profile

Flintshire is a Unitary Authority. The County has an area of 43,464 hectares and a population of approximately 152,700 as per the 2011 Census. It is made up of a mixture of small towns and conurbations, particularly to the south and predominately rural and agricultural land located in the north. The population is subjected to small seasonal fluctuations due to influx of tourists to the area. It has a number of industrial estates on which many manufacturers including food manufacturers are located, as well as headquarters for several food manufacturers including one large national food retailer. The coastal edge of Flintshire County Council abuts the Dee Estuary upon which cockle and mussel beds are situated and there is a small port located at Mostyn.

2.2 Organisational Structure

The Food Service sits in the Community and Business Protection Service within the Planning, Environment and Economy portfolio area. The responsibility of the Food and Feed service sits under the Team Manager – Food Safety and Food Standards, with the line management of most Feed officers being the responsibility of the Team Manager - Trading Standards Compliance and Animal Health as these Feed officers also undertake other Trading Standards functions such as Animal Health. Both team managers' report in to the Community and Business Protection Manager. The organisation structure of the Food Service is illustrated on the chart detailed in Appendix 1. Appendix 1 also includes the Management and Cabinet structure of the Council.

The Lead Officer for Food Safety and Food Standards is the Team Manager – Food Safety and Food Standards. The Lead Officer for Feed is a Trading Standards Officer.

	Specialist services are provided by Public Health Wales and Public Analyst Scientific Services as the Public Analyst.
2.3 Scope of the Food Service	The scope of the respective component parts of the service are detailed below: Food Safety • Enforcement of relevant food safety and food hygiene legislation in all food establishments in Flintshire • Registration of food businesses and approval of premises subject to compliance with product specific legislation such as meat products, fish, shellfish, fishery products and dairy products • Implementation of the Food Hygiene Rating (Wales) Act 2013 • Investigation of food complaints that relate to fitness of food for human consumption and complaints that relate to the nature, substance or microbiological quality of the food, taking appropriate action as necessary • Investigation of all complaints which relate to hygiene matters (premises, practices, personnel) in food businesses • Investigation of sporadic cases of food-related notifiable diseases and suspected cases of food poisoning • Investigation and control of outbreaks of food poisoning and food-related notifiable diseases • Response to Food Alerts and food related incidents taking appropriate action as necessary • Advice to new and existing business, responses to plans, licensing and land charges referrals • Providing relevant export attestations to businesses who are exporting • Act as Home and/or Originating Authority for other companies where necessary • Undertake food sampling in accordance with the Sampling Programme • Educational and promotional initiatives, when appropriate and based on local need Food Standards • Respond to requests for consumer advice in matters regarding food standards, labelling and

composition

- Undertake a pre-planned programme of visits to food premises within Flintshire
- Investigation of complaints relating to the nature, quality or substance of food and complaints relating to mislabelling of food taking appropriate action as necessary
- Provide advice, information and assistance to food businesses
- Undertake food sampling in accordance with the Sampling Programme and in response to incidents
- Undertake promotional and educational initiatives, when appropriate
- Act as Home Authority and Originating Authority for other food businesses within Flintshire where necessary

Feed

- Undertake a pre-planned programme of visits to feed premises within Flintshire
- Undertake a pre-planned programme of targeted Feed sampling
- Provide advice, information and support to feed business operators, including manufacturers, distributers, and users of feed products
- Investigation of complaints relating to feedstuffs and complaint-based sampling of feed as required as part of complaint investigation

The Service Delivery Point for the Food Safety, Food Standards and Feed Service is Ty Dewi Sant, Ewloe. For all of the above, the Service Delivery Points are usually open during normal office hours of 8.30 a.m. – 5.00 p.m.

During the pandemic service delivery was reviewed to reflect the 'Working from home, wherever possible' steer from Central Government in response to the pandemic. A new Hybrid Working Policy is due to be introduced which will seek to assist the Welsh Government target of 30% of the workforce working from home. The team provides a duty system to respond to reactive elements of the service.

There is no official "out of hours" provision. However, there is a call centre who will contact team members should specific scenarios be reported to them which includes Food-related incidents.

2.4	Demands of the Food Service

There are 1452 food premises in Flintshire. Of those that require registration and have received at least one food inspection, a full breakdown by activity type is provided below:

Table 1 : Breakdown of food premises in Flintshire by FSA activity type

Premises Type	Number
Primary Producer	6
Supermarket / Hypermarket	40
Manufacturers / Packers	52
Retailer – Others	52
Importers / Exporters	0
Distributors / Transporters	50
Small Retailer	260
Restaurant / Café / Canteen	234
Hotel / Guest House	18
Pub Club	160
Takeaway	136
Caring Establishments	188
Schools / Colleges	83
Mobile Food Unit	41
Restaurant and Caterers – Other	129

There are 24 premises approved under EU Regulation 853/2004 as they handle products of animal origin. These regulations place additional control measures on these types of premises and on the Local Authority.

The types of food manufacturers within Flintshire vary greatly in the types of processes they use to produce food. These range from cooked meat and ready meal manufacturers with national distribution, through to an on-farm milk pasteuriser supplying milk locally and shellfish dispatch centre. The diversity in the types of manufacturers operating within the County places a significant demand on the breadth and depth of knowledge required by officers within the Team.

Dee Estuary and Shellfish

The Dee Estuary has one actively fished cockle beds falling within Flintshire's jurisdiction. There had previously been two beds but due to a recent Sanitary Survey undertaken on the Dee, commissioned by the FSA, the

two beds were able to be merged to be considered as one bed. The remaining beds fall within Wirral Council's jurisdiction. Given the nature of the estuary, the shellfish bed places significant demands on the Team, particularly during the six month cockle opening season. The bed has a seasonal A classification, between August and May, meaning that cockle harvested from this bed during these months is considered safe to consume without any further processing and can be exported to the EU.

The management of the Dee accounts for a large portion of the Sampling Budget due to the statutory sampling of the water and shellfish for both microbiological classification and for algal biotoxin monitoring.
In addition to the shellfish bed on the Dee, there are several companies operating as buyers, grading yards and / or collection points for cockle harvested elsewhere within the UK at different times throughout the year. This has placed significant demand on the service and it is anticipated this will continue throughout 2022-23. There had been one approved Dispatch Centre under Regulation 853/2004 but this ceased trading early in 2022.

Enforcement on the Dee involves a cross-agency partnership working with National Resources Wales, Wirral Council, the Centre for Environment, Fisheries and Aquaculture Science (CEFAS), other Local Authorities, the North Western Inshore Fisheries and Conservation Authorities and FSA Wales.

There are 53 licensed cockle gatherers for the Dee Estuary with a low number of endorsees. There are also 18 registered fishing vessels spread over 13 fishermen.

Port Health

There is a port at Mostyn. The service has responsibility in relation to ships coming in to port requiring a Ship Sanitation Certificate or a food hygiene inspection.

Food Hygiene Rating (Wales) Act 2013 and associated legislation

Since 28th November 2013, the Food Hygiene Rating (Wales) Act 2013 mandated businesses with a food hygiene rating to display a valid food hygiene rating sticker. The administration of this Act accounts for a considerable volume of work for the Team.
The introduction of the Food Hygiene Rating (Promotion

of Food Hygiene Rating) (Wales) Regulations 2016, required takeaway food premises to provide a prescribed bi-lingual phrase on promotional literature which contains a price of the food and a method of ordering it remotely.

The Service is committed to delivering the requirements of the Food Hygiene Rating (Wales) Act 2013 and its associated regulations.

Premises Profile

The premises profile, as defined in the Food Law Code of Practice (Wales) July 2021, is detailed in Table 2:

Table 2: Breakdown of premises profile by risk band for Food Safety and Food Standards.

FOOD STANDARDS			FOOD SAFETY			
Risk	**Min.**	**No. of**		**Risk**	**Min.**	**No. of**
High	12 months	6		A	6 months	2
			High	B	12 months	12
Medium	2 years	422		C	18 months	469
Low	5 years	977	Low	D	2 years	317
				E	3 years	615
OUTSIDE		12		OUTSIDE		12
UNRATED		47		UNRATED		37
TOTAL		**1452**		**TOTAL**		**1452**

Please note: there are 5 bands of risk for Food Safety, with A to C being deemed to be High Risk and only 3 bands of risk in Food Standards, with only A being deemed High Risk.

Feed

Under the EU Feed Hygiene Regulation (183/2005) feed activities are clearly defined and are broken down in to 'Approved' and 'Registered' feed activities. Activities requiring Approval include any activity involving the manufacture and/or placing on the market of feed additives including zootechnical products (the technology of animal husbandry), with all such activities being classed as high risk. There are currently no businesses in Flintshire that have an Approval under the Regulations.

'Registered' feed activities are all other feed activities that

are undertaken of which there are 14 registerable feed activities defined and coded by the FSA these are termed as 'R Codes' and run consecutively from R01 (the highest risk activity) through to R14 (the lowest risk activity).

Table 3: Breakdown of Feed premises by activity type

R01 - Manufacturer	3
R04 – Mobile Mixer	0
R05 - Distributor	11
R06 – Pet Food Manufacturer	1
R07 – Supplier of Surplus Food	21
R08 - Transporter	3
R09 - Stores	1
R10 – On-farm mixer (Annex II)	4
R11 – On-farm mixer	27
R12 – Co-product producer	5
R13 – Livestock Farm	411
R14 – Arable Farm	5

The diversity in the types of Feed Businesses operating and activities being undertaken within the County places a significant demand on the breadth and depth of knowledge required by officers within the Team.

Following a review by FSA Wales in 2014 of the delivery of Animal Feeding Stuffs Enforcement across Wales, the system for risk assessing feed activities was simplified with all registerable feed activities across Wales being broken down in to one of two categories based on risk. These two categories are referred to as '*Above the Line'* and '*Below the Line'*. Above the line activities are high risk activities, which include businesses undertaking any 'Approved' feed activity and those engaged in 'Registered' feed activities involving production, processing, storage, transportation, sale of feed, or supply of food co-products, or surplus foods for use in animal feed and ultimately human consumption as part of the human food chain. These activities require a 'qualified' and 'competent' officer to inspect them.

Below the line activities are the low risk activities that include premises that are feeding animal feed stuffs to livestock or growing straight feed crops that are to be consumed in their natural state such as silage. This applies to all of Flintshire's farms. These activities have a lower requirement for officers to be able to perform these activities, requiring that an officer be 'competent' to complete this work.

Since 1st April 2015, the number of inspections of feed premises has been determined by FSA Wales in the form of the 'North Wales Feed Enforcement Delivery Plan'. The plan for 2021-22 required Flintshire to inspect premises across the county for a total of 69 registered feed activities, 19 of these were above the line with the remaining 50 being below the line. However, due to the pandemic and the temporary suspension of proactive inspections for part of the year, a total of 47 inspections were achieved.

The total number of inspections prioritised for inspection during 2022-23 is 112 inspections. The full breakdown of inspections by R code is provided in Appendix 2.

The breakdown of the Feed premises profile is detailed below by risk band:

Table 4: Breakdown of the premises profile by risk band for Feed.

FEEDINGSTUFFS		
Risk	**Frequency of Inspection**	**Total no. of registered activities subject to inspection**
High	Every 3 years (as per Feed Law Code of Practice)	76
Low / Medium	Every 14 years (as per Feed Law Code of Practice)	416
TOTAL inspectable registered activities		**492**

The vast majority of food business owners are English speaking with a minor requirement for written reports in Welsh. All advisory literature is produced bilingually in accordance with the Welsh Language Standards of the Council which came in to force on 30 March 2016. Approximately 14% of residents in Flintshire are recorded as Welsh speaking.

Approximately 4% of food businesses are of ethnic origin (Asian, Chinese, Turkish and Greek) and once again advisory literature is available in a range of ethnic languages to assist in understanding.

| 2.5 Enforcement Policy | The Food Service undertakes enforcement in accordance with the Public Protection Enforcement Policy which has been updated and approved by Members in 2010. This policy has been based upon the principles of the Enforcement Concordat adopted by Members in September 2000 and the Regulators Compliance Code.

There is also an Enforcement Policy for residents entitled "Regulation and Enforcement – Involving Local Residents", which was approved by Council in September 2011. |

3.0 SERVICE DELIVERY

| 3.1. Food Premises Inspections | The Food Service usually carries out inspections in accordance with pre-planned programmes drawn up annually and commencing on 1st April each year, to coincide with the reporting requirements for the Service to the Food Standards Agency Wales, as part of the Local Authority Enforcement Monitoring System (LAEMS). These inspection programmes are based on the risk rating of the premises. However, due to the significant impact on service delivery of the pandemic, the usual method of determining and implementing a planned inspection programme had to be suspended.

The majority of food-competent officers were moved over to COVID-19 related work supporting care homes, schools and workplaces, providing a seven day per week service. Feed officers were moved to deliver the requirements of the Coronavirus regulations in relation to business opening and control measures. This continued for a significant proportion of 2021-22. However, all officers have now been moved back to their pre-pandemic duties, including the resumption of a programme of Food Hygiene, Food Standards and Feed inspections.

Food Safety and Food Standards

The performance of the Food Safety and Food Standards Team against the service priorities outlined by the Food Standards Agency recovery plan was excellent. The service inspected all Category A, B and non-broadly compliant Category C premises for food hygiene. The FSA Recovery Plan directed local authorities to undertake a prioritisation of new businesses. The service achieved 91.4% of all new business inspections, across all priorities – Low to High. Only 2 new businesses |

prioritised for inspection during 2021-22, were not inspected, both of these opening towards the end of the financial year. For Food Standards, 5 of the Category A premises were inspected and 88.6% of new businesses across all priorities were inspected in 2021-22 with 11 premises prioritised as High not inspected. A total of 214 Food Standards inspections were undertaken. The service had therefore moved at a faster pace than the minimum pace stipulated by the FSA's Recovery Plan.

There is a Public Accountability Measure in place, namely the percentage of businesses which are Broadly Compliant with Food Hygiene legislation. For 2021-22, this figure has improved from 97.0 to 98.5% of food businesses within Flintshire falling into this category.

There are 369 Category C, 277 Category D and 354 Category E Food Hygiene inspections which are overdue from at least 31st March 2022 and 334 Category B and 326 Category C overdue for Food Standards. When adding these to those premises due inspection in 2022-23, this gives 1,186 Category C-E Food Hygiene inspections and 865 Category B-C Food Standards inspections due or overdue.

In recognition of the above volume of overdue inspections, the FSA's Local Authority Recovery Plan provides a clear steer on priorities and timeline by which each priority is to be achieved. This recovery plan runs from July 2021 to March 2023. This allows the local authority to prioritise inspections in line with the minimum requirement of priorities as set out in the plan. In line with the FSA's Local Authority Recovery Plan, 28 new businesses have been prioritised for inspection to date for Food Hygiene, 2 Category A Food Hygiene inspections,16 Category B Food Hygiene inspections and all Category C and D non-broadly compliant premises In line with the FSA Recovery Plan, which states that local authorities should, where they can, move at a faster pace in realigning with the intervention frequency and other provisions set out in the Food Law Code of Practice, we have also committed to inspect all due or overdue Category C food hygiene premises by the end of March 2023.

The service has prioritised all 6 Category A Food Standards inspections to be achieved by the end of March 2023, with 3 of these having to be inspected by the end of June 2022, in line within the FSA's recovery plan. It has also prioritised undertaking all due or

overdue Category B and Category C Food Standards inspections that are due or overdue in Category C Food Hygiene premises by the end of March 2023. This equates to a further 314 Food Standards inspections being undertaken.

The service will prioritise those new businesses that undertake open food high risk food preparation but will also endeavour to inspect 90% of all of those businesses that begin to trade during the remainder of the year for both Food Hygiene and Food Standards.

The key objectives for the coming year in relation to programmed inspection and enforcement work are:

<u>Food Safety</u>

- New businesses – overdue from previous year and those we become aware of during 2022/23
- Category A risk rated premises
- Category B risk rated premises
- Non-broadly compliant Category C premises
- Broadly compliant Category C rated premises
- Non-broadly compliant Category D premises
- To follow the requirements of the Food Hygiene Rating (Wales) Act 2013 and associated regulations
- To revisit all premises receiving a Food Hygiene Rating of 2 or lower to assess compliance, in line with the All Wales Revisit Policy
- To inspect any low risk premises where local intelligence highlights a potential issue with compliance levels

<u>Food Standards</u>

- New businesses – overdue from previous year and those we become aware of during 2022/23
- Category A risk rated premises by June 2022
- Category B and Category C Food Standards inspections in Category C Food Hygiene premises that are due or overdue their Food Hygiene inspection
- To revisit all premises with major non-compliance with Allergen Information requirements
- To inspect any medium or low risk premises where local intelligence highlights a potential issue with compliance levels

A full breakdown of premises programmed for inspection 2022-2023 by risk band is given in Appendix 2.

There were 9 revisits for Food Hygiene and Food Standards in 2021-22. However, this is not indicative of the anticipated resource needed for revisits in 2022/23 due to the much reduced number of proactive inspections undertaken last year. We anticipate that the number of revisits required will increase both due to the increase in number of full inspections undertaken and due to a potential drop in compliance levels found.

Feed

For 2021-22, the FSA-directed inspection programme allocated 69 inspections to Flintshire, 19 Above the Line, 50 Below the Line. However, due to the pandemic and the suspension of Feed inspections, a total of 47 inspections were carried out.

As there is a considerable number of overdue inspections from last year and inspections due in this year, risk assessment has been applied to prioritise which inspections should be undertaken. As such, all Above the line inspections due / overdue have been prioritised for inspection. For Below the Line premises, the inspections have been prioritised as per:

- Farms that are not registered but are known to keep livestock by other information sources
- Farms that have registered for Feed but have not yet been inspected
- Farms that are significantly overdue their Feed inspection
- Farms that due their Feed inspection this year and are not members of a Farm Assurance Scheme

The target for programmed inspections for 2022-23 is 112 inspections. The breakdown of these by the activity code is detailed in Table C in Appendix 2.

3.1.1 Additional Targeted Inspection/ Enforcement Activity	Additional targeted inspection and enforcement activity due to be undertaken is as follows: - Shellfish – compliance assessment with the completion of registration documents - Effective and professional liaison and co-operation with other LA's and Regulatory Delivery relating to

Primary Authority (PA) matters.
- Investigation of notified food safety related fraud incidents, such as illegal slaughter of meat, including referrals made anonymously.
- Issue of Ship Sanitation Certificates for incoming vessels to the Port of Mostyn.
- Appropriate response and liaison with other agencies for Civil Contingency matters.

3.1.2 Resources for Inspections and Additional Enforcement Activity

Food Safety and Food Standards

The programmed food hygiene inspections will be undertaken by Environmental Health Officers (EHO) and Food Safety Officers (FSO). A full breakdown of resources is given in 4.2 – Staffing Allocation.
Food Standards work will be carried by our Trading Standards Officer, EHOs and FSOs.

Other areas of Trading Standards work within food premises such as Weights and Measures will be carried out by the Trading Standards Officer within the Food Team. This places an absolute requirement for a fully competent Trading Standards Officer to be within the Team.

Feed

All aspects of Feed work will be carried out by 0.2 FTE fully qualified Trading Standards Officer and 0.4 FTE Trading Standards Enforcement Officer. This work is to be distributed across 7 officers who are qualified and/or competent in accordance with FSA Feed Law Code of Practice requirements. 5 of the Feed officers are based in the Trading Standards Compliance and Animal Health Team and 2 officers are based in the Food Safety and Food Standards team.

3.2 Food/Feed Complaints

Food complaints cover the full range relating to fitness for human consumption, presence of extraneous matter in foods, microbial contamination and Food Standards issues such as food labelling, chemical adulteration and spoilage of food.

It is the policy of the Food Service to investigate all food

complaints reported including those made anonymously.

Food Safety and Food Standards

All food complaints are dealt with in accordance with the Food Law Code of Practice (Wales) July 2021, having regard to the documented Public Protection Enforcement Policy 2010.

Based on data for previous years, the estimated number of Food Safety and Food Standards complaints is between 110 and 140.

Please note the above figures do not indicate dealing with food complaints referred by other Local Authorities when acting as Home or Originating Authority.

Feed

All feed complaints will be dealt with in accordance with the Feed Law Code of Practice (Wales) 2014, having regard to the documented Public Protection Enforcement Policy 2010.

The number of Feed related complaints received by the service is low, typically no more than 3 a year.

3.3 Primary Authority Principle

Food Safety and Food Standards

Flintshire County Council subscribes to both the Primary and the Home Authority Principle. The Food Service acts as both Home Authority and/or Originating Authority for approximately 50 food businesses.

Flintshire is also committed to improving relationships with business and will continue to develop relationships with business and encourage effective business engagement at all times.

Feed

There is currently no formal Primary Authority relationship between FCC and any Flintshire based Feed Business Operator.

3.4	Advice to Business	The policy of the Food Service is to provide a balanced approach between the provision of advice and enforcement activity. The Service is committed to providing an effective and responsive advice and assistance service, both during inspections or upon request, for all Flintshire businesses, including a service in accordance with the Regulatory Delivery Primary Authority Principle and the Local Government Regulation (previously LACORS) Home Authority Principle.

In addition, the Service provides advisory literature, (either produced nationally or in-house) to businesses to assist them with compliance with relevant legislation.

Food Safety and Food Standards

In order to maximise the use of limited resources, advice is targeted as follows:

• During inspections and as part of follow up documentation.
• Start-up advice on request.
• Through guidance information available on the Food Team's website pages.
• Distribution of relevant food safety and food standards material to food businesses.
• Advice and information is given to businesses requesting guidance either by telephone, email or post.

Based on data from the last 3 years, the estimated number of requests for advice is anticipated to be approximately 180 - 220 in relation to Food Safety and Standards. Advice to businesses is provided by all members of the Team.

Targeted business advice was provided in relation to the requirements for prepacked for direct sale (PPDS) food labelling changed in Wales, England, and Northern Ireland. This labelling helps protect consumers by providing allergen information on the packaging.

This will continue to be provided as part of programmed Food Hygiene and Standards inspections.

Feed

Flintshire is committed to supporting feed businesses and working with them to enable compliance with all regulatory and best practice standards, and to protect |

animal health and welfare, and the human food chain. In order to maximise the use of limited resources, advice is targeted as follows:

- During inspections and as part of follow up documentation.
- Start-up advice on request to new businesses.
- Through sign posting to guidance information available on the Trading Standards Wales and FSA Wales websites.
- Distribution of relevant feed hygiene and standards material to feed businesses.
- Advice and information is normally given to businesses requesting guidance

3.5 Food Inspection and Sampling

Food Safety and Food Standards

Sampling will be carried out in accordance with the documented Sampling Policy for the Food Service which was referred for Member Approval in July 2001. The sampling programme is devised so that the procurement of samples will follow a risk based approach. The programme takes in to account statutory requirements as well as the requirements of the FSA, the Welsh Food Microbiological Forum and local need.

Samples taken for Food Standards issues are submitted for analysis by the formally appointed and NAMAS accredited Public Analyst for the Council (and Agricultural Analyst for Animal Feed purposes):

Public Analyst Scientific Services
Valiant Way
Wolverhampton
WV9 5GB

Samples taken as part of the Sampling Programme for Food Safety issues are submitted for microbiological examination by the designated and NAMAS accredited laboratory of:
Public Health Wales
Ysbyty Gwynedd
Penrhosgarnedd
Bangor

Each Local Authority is allocated sampling accreditation by Public Health Wales.

The Food Sampling Programme does not preclude the need to undertake reactive sampling e.g. as a result of a food complaint or during food poisoning investigations. Sampling undertaking as part of an Infectious Disease Notification or Outbreak are sent to the laboratory at Ysbyty Gwynedd, Penrhosgarnedd, Bangor.

A member of the team attends the WFMF, which is responsible for devising Food Safety Sampling Surveys across Wales, based on risk assessment and intelligence to better target resources at particular foods or food poisoning organisms of concern within the UK.

Samples are taken as part of programmed inspections at manufacturers and premises where product specific legislation applies. The budget for sampling will remain the same as it was in 2021-22.

Given the effect of the pandemic on service delivery, sampling will be undertaken at a reduced level as we move through the Recovery Plan.

The anticipated number of samples for Food Standards is around 20 including samples taken for labelling checks, both as planned sampling and as a result of a complaint received. The service took part in a regional sampling programme for vegan / vegetarian claims and alcohol content in locally produced gins in 2021-2 and will take part in any regional sampling for Food Standards during 2022-23. Samples will be taken as part of programmed inspections at manufacturers, approved premises and premises where product specific legislation applies for analysis.

For Food Safety, there will be statutory sampling for shellfish classification, biotoxin monitoring, in response to any serious food complaints / hygiene concerns and taking part in a WFMF survey. The anticipated number of samples for Food Microbiological examination is around 30 samples including the shellfish classification and biotoxin monitoring samples.

Feed

There will be a minimal amount of sampling work undertaken in relation to Feed. No programmed Feed samples were taken within 2021-22 as part of the suspension of this type of work. Other than sampling directly funded by FSA Wales any other feed samples taken during 2022-23 will only be done in response to complaints received or feed safety incidents.

3.6 Control and Investigation of Outbreaks and Food Related Infectious Disease	Investigation and control of outbreaks of food related infectious disease will be carried out in accordance with the Communicable Disease Outbreak Plan for Wales was approved by Members in 2011.
	Investigations of sporadic notifications of food related infections disease shall follow the existing documented procedure within the Section. Based on data from previous years, it is estimated that there will be approximately between 220 and 250 cases of sporadic notifications and between 0 and 10 outbreaks. Public Health Wales have introduced molecular testing of faecal samples of suspected cases and this has resulted in an increase in the number of positive cases detected for specific organisms.
	Campylobacter was the highest incidence of food-borne illness for 2021-2022 in Flintshire, with 221 cases being notified to us out of a total of 282 sporadic cases of potential food-borne illness notified to us. The notifications for Campylobacter were sent a questionnaire to complete which, when returned to the service, was reviewed by a competent officer to assess for any food-related risk factors.
	Outbreaks are characteristically resource intensive but do not follow an annual trend, therefore the anticipated burden on staffing cannot be predicted. However, should they occur the impact on resources cannot be over-estimated and would require rapid contingency planning for maintaining the delivery of the rest of the Service.
3.7 Food/Feed Safety Incidents	Food Safety and Food Standards
	Food Alerts will be initiated and responded to in accordance the Food Law Code of Practice (Wales) July 2021. Responses to Food Alerts will be kept in a centralised documented format and the contact details for the Team and relevant Agencies (including out of hour's contacts) will be kept up to date. It is difficult to quantify the resource implication of this function as it depends upon the category of Food Alert and the extent of food or businesses affected within Flintshire.
	There were 10 food incidents during 2021-22. We anticipate we will be involved in 5 to 10 food incidents during 2022-23, using previous food incident data.

<u>Feed</u>

Alerts will be initiated and responded to in accordance with the Feed Law Code of Practice (Wales) 2014. Responses to Feed Alerts will be kept in a centralised documented format and the contact details for the Team and relevant Agencies (including out of hour's contacts) will be kept up to date. It is difficult to quantify the resource implication of this function as it depends upon the nature of the Feed Alert and the source, type, quantity and distribution of feed product involved.

3.8   Liaison with Other Organisations

The Food Service is committed to ensuring effective liaison with other relevant organisations to enforce consistency of approach. This includes liaison with:

- FSA Wales
- Regulatory Delivery
- Chartered Institute of Environmental Health and Chartered Trading Standards Institute
- Public Health Wales, National Resources Wales, CEFAS, Animal and Plant Health Agency and other relevant advisory/liaison bodies
- Other Local Authorities in Wales as a whole by attending the All Wales Food Safety Expert Group, the All Wales Communicable Disease Expert Group and the WFMF and regionally, by attending the North Wales Food and Communicable Disease Task Group.
- Other relevant local bodies e.g. local fishermen by way of the North Wales and Deeside Shellfish Liaison Group.
- Other Departments within Flintshire County Council, such as the Planning Department, with whom a system of formal consultation with relevant sections of Community and Business Protection

Liaison is also maintained between members of the Food Team by monthly Team Meetings. There is also a weekly management meeting for Team Managers and the Service Manager.

The Feed element of the service is committed to ensuring effective liaison with partners and other relevant organisations to ensure and enforce consistency of approach. This includes liaison with:

- Food Standards Agency Wales (FSA Wales)

- Veterinary Medicines Directorate (VMD)
- Animal and Plant Health Agency (APHA)
- Professional bodies such as the Chartered Trading Standards Institute (CTSI), National Trading Standards (NTS) and the Association of Chief Trading Standards Officers (ACTSO).
- Other Local Authorities across Wales and the UK
- Partner Local Authorities in the North Wales Feed Enforcement Delivery Plan (Wrexham, Denbighshire, Gwynedd, Ynys-Mon, and Conwy).
- Liaison with regional and national panels and expert interest groups including the joint Trading Standards Wales/FSA Feed Working Group, Trading Standards Wales and UK Animal Health and Welfare Panels etc.

Liaison is also maintained within the Feed element of the Trading Standards Compliance and Animal Health Team through regular team meetings with the Team Manager – Food Safety and Food Standards. They also have regular one to ones with their line manager. There is also a weekly management meeting for Team Managers and the Service Manager.

The regional Task groups have resumed fully and meet on a quarterly basis for Food and Communicable Disease.

3.9	Food Safety/ Food Standards and Feed Promotion	Educational and promotional activities are important components of a comprehensive Food Service. Food Safety and Food Standards For 2021-22, a promotional project was undertaken in September 2021 in the month prior to the introduction of the new Pre-packed for Direct Sale legislation, which identified that micro-businesses were not fully understanding the definition of PPDS. As a result of this, we are planning to undertake a further project during 2022-23 to support businesses further in this regard. Feed Officers of the service work with the trade offering advice and guidance on compliance with legal and best practice standards during routine inspection work and when carrying out routine animal health and welfare and

disease control work. Promotion work is usually done as part of routine inspection or in response to enquiries made by business to the service.

4.0 RESOURCES

4.1   Financial Allocation

The financial allocation for the Food Service is split between budgets provided for the Food Safety and Food Standards and for Animal Health. The expected overall level of expenditure providing the Food Safety and Food Standards Service for 2022-23 is detailed in Table 5.

Table 5: Expected Overall Budget for the Food Safety and Food Standards Team 2022-2023

COST ITEM	FINANCIAL ALLOCATION
(a) Staffing (total staff costs)	£537,285
(b) Travel (mileage and rail warrants)	£4,127
(c) Equipment	£4,977
(d) Sampling	£4,177
(e) Shellfish Sampling	£6000
(f) Support Costs for Printing and Translation	£650
(g) Training	Centrally held budget. Accessed via application

The Food Sampling budget covers Food Safety and Food Standards. This is in addition to the allocation provided by Public Health Wales. Additional funding can be made available should there be an incident. There is an income target of £4,000 which is generated by Ship Sanitation Certificate, Food Hygiene re-rating inspections and Export Health Attestations.

Table 6 shows the expected overall level of expenditure for Feed Service delivery:

Table 6: Expected Budget for the Feed Service Delivery 2022-23

COST ITEM	FINANCIAL ALLOCATION
(a) Staffing (total staff costs)	£29,598
(b) Travel (including mileages and Subsistence	£1,200
(c) Equipment	£500.00
(d) Sampling	Budget is held Regionally
(e) Training	Centrally held budget. Accessed via application

4.2   Staffing Allocation

Food Safety and Food Standards

The Food Safety and Food Standards structure is made up of the Team Manager – Food Safety and Food Standards 1.0 FTE, 6.5 FTE Environmental Health Officers (EHOs), 3.0 FTE Food Safety Officers(FSOs), 1.0 FTE Trading Standards Officer (TSO) and 1.0 FTE Trading Standards Enforcement Officer (TSEO). All members of the team are permanent positions. EHOs and FSOs undertake both Hygiene and Standards work. The TSO undertakes Food Standards, Feed work and other TS duties in Food premises. The TSEO undertakes Feed and Animal Health duties predominantly.

Administrative support is provided by 1.0 FTE Administration Officer. This role is situated within Social Services as a central administration function.

All Environmental Health Officers in post are qualified Environmental Health Officers, registered with the Environmental Health Registration Board or subsequent requirements. Two of the EHOs are being supported through their Chartership programme. Food Safety Officers are qualified to the Higher Certificate in Food Premises Inspection and all officers are qualified in HACCP Principles (Hazard Analysis Critical Control Points). All three of the Food Safety Officers hold the Higher Certificate in Food Control.

All staff are authorised appropriately for the duties they perform. Only one of the EHOs does not meet the post two year qualified competency requirement to use all

enforcement powers required by the Code of Practice. Most officers also hold the Lead Auditor qualification.

The Trading Standards Officer holds the Diploma in Trading Standards and has also successfully completed the five day QMS Auditor/Lead Auditor training course. The Trading Standards Enforcement Officer has completed the academic component of the Higher Certificate in Food Control and is currently being supported to complete the learning portfolio and professional exam component. However, they will predominantly be utilised for Feed and Animal Health.

The full breakdown of resources usually required to deliver the Food Safety and Food Standards service is given below:

Table 7: Full Breakdown of Resources by Full Time Equivalent (FTE) to Deliver the Food Safety and Food Standards Service

Intervention Type	Food Safety FTE	Food Standards FTE
Inspections	5.5	2.5
Revisits	0.3	
Complaints	0.6	
Primary Authority	0.3	
Food Incidents	0.2	
Food Business advice/promotion and other Non-Official Controls Interventions	0.3	
Communicable Disease	0.5	N/A
Sampling	0.2	0.1

Please note – this breakdown of resources includes the 0.2 FTE operational aspect of the Team Manager. The remainder of the Team Manager 0.8 FTE is not taken account of above as this includes the operational management functions of this role including Feed and Corporate matters. A further 0.1 FTE of the Trading Standards Officer role is spent regulating other Trading Standards legislation in food businesses such as Weights and Measures legislation and Feed work and so is not included above.

The inspection resource requirement is based on completing the majority of inspections as joint inspections i.e. the officer does both a Food Safety and

Food Standards audit during the same visit. This flexibility is key to ensuring the service can be delivered based on current resources.

Feed

All aspects of Feed work will be carried out by seven individual officers of the service with the overall management of the area by the Team Manager – Food Safety and Food Standards. One of the Trading Standards Officers is the Lead Feed Officer. All officers involved in the delivery of the feed service also undertake other duties which are non-Feed related. The Feed component of their roles for this year equates to 0.2 FTE Trading Standards Officer and 0.4 FTE Trading Standards Enforcement Officer.

The two Trading Standards Officers within the two teams satisfy all criteria as a 'qualified' and 'competent' feed officer, including holding the Diploma in Trading Standards (or equivalent), successful completion of the five day QMS Auditor/Lead Auditor Training Course, completion of CIEH accredited HACCP training and participation in a FSA programme of Feed Training. Both officers are therefore suitably qualified and competent to undertake all aspects of Feed work.

The five Trading Standards Enforcement Officers satisfy the 'competency' criteria based on experience and training that enables them to perform Below the Line Feed work on both Livestock and Arable Farms.

All seven officers satisfy the FSA requirements re qualification and /or competency to enable them to undertake Feed enforcement work. This includes meeting the requirement to undertake a minimum of 10 hours relevant CPD annually.

Staffing through the pandemic

The staffing level during 2021-22 moved from being COVID-related to all of the team had returned to Food work except the one Food Safety Officer who had been seconded formally to TTP by Qtr 4 until 31st March 2022.

One EHO is on maternity leave until the end of September 2022 with one EHO moving to 0.5FTE from 0.9FTE as of 1st October 2022. The remaining 0.4FTE will be filled.

4.3 Staff Development Plan	During the forthcoming year the following training is planned: (i) Support of national and regional seminars on relevant subject matters. (ii) In-house training sessions Each member of the Team will receive the required twenty hours Continuing Professional Development as required by the Food Law Code of Practice (Wales) July 2021 (or thirty hours, if the officer has Chartered Status). Staff will be subject to annual Staff Appraisals in line with the Corporate policy with a mid-year review which identifies and tracks training and development needs. All staff have monthly one to ones with the Team Manager to identify and monitor areas requiring development. Two officers are going through the Chartered programme of the Chartered Institute of Environmental Health. One of the Animal Health Officers who undertakes Feed work is also completing their Higher Certificate in Food Control portfolio to build resilience in to the Food service. The amount of training undertaken during 2021-22 was affected by the pandemic and the range of training undertaken was initially reduced from previous years. However, there was a considerable amount of training made available for Food Hygiene and Food Standards in Quarter 4 of 2021-22 and officers undertook online training to ensure they reached the required CPD requirement. Feed All authorised officers will take part in training to ensure the meet the CPD requirements for Feed during 2022-23. All feed training is provided regionally across Wales as part of the North Wales Regional Feed Enforcement Delivery Plan that is funded by FSA.

5.0 QUALITY ASSESSMENT

5.1 Quality Assessment	Food Safety and Food Standards Within the Food Service, quality systems are in place to ensure that work is completed and checked by a

competent person in line with the fully documented Quality Monitoring Procedures. Documented procedures and work instructions exist to ensure consistency of approach with various computer report mechanisms to check accuracy on the APP Database. Work Instruction is provided on key areas of work retained within Formal Procedure Manuals.

The Team Manager sits on the North Wales Food and Communicable Disease Task Group, the All Wales Food Safety Expert Group and a member of the team attends the All Wales Communicable Disease Expert Group. These forums offer the opportunity to discuss a wide range of quality issues relevant to Food Law Enforcement and Food Hygiene incidents and outbreaks.

The Service is usually required to submit an Annual Return to FSA Wales via Local Authority Enforcement Monitoring System (LAEMS). This details the inspections achieved, enforcement and educational activities undertaken. In response to the pandemic, the FSA did not require a full LAEMS return to be submitted for 2021-22. The service completed and returned a questionnaire to the FSA which assessed the service's performance against the FSA-priorities during 2021-22.

Feed

Quality systems are also in place to ensure that work is completed and checked by a competent person in line with the fully documented Quality Monitoring Procedures. Documented procedures and work instructions exist to ensure consistency of approach with various computer report mechanisms to check accuracy on the APP Database. Work Instruction is provided on Key Areas of work retained within Formal Procedure Manuals.

In addition, for the whole Food service, external audits including focused audits, are undertaken by the Food Standards Agency Wales (frequency determined by FSA).

The North Wales Regional Feed Delivery was audited by FSA Wales in November 2019.

6.0 REVIEW PROCESS

6.1 Review Against the Service Plan	The Service Plan is subject to annual review, which has been re-introduced for 2022-23 and onwards.

The Service Plan is subject to annual review, which has been re-introduced for 2022-23 and onwards.

Performance against this Service Plan is monitored by several means:

- Monthly team meetings
- Monthly one to ones with individual team members
- Informal team briefings held on a regular basis
- Quarterly Feed returns to the regional Feed officer

The FSA Recovery Plan provides a timeline in 2 phases. Phase 1 ran from 1 July to 30 September 2021 and Phase 2 runs from 1 October 2021 to 2023-24.

The FSA require local authorities to submit a Temperature Check Survey at various points during the span of the Recovery Plan to track against Phase 1 and Phase 2 expectations and to gauge the local authority's confidence in achieving continued alignment with the recovery plan.

Appendix 3 provides full quantitative analysis of service delivery during 2021-22.

As overarching achievements:

- The commitment shown by all officers across the Food and Feed service was excellent at such a challenging, fast-evolving time
- All Category A, Category B and non-broadly compliant Category C Hygiene inspections were undertaken
- All outstanding Fishing Vessel inspections were carried out
- The percentage of new businesses inspected for Hygiene was over 90% with only two new businesses that had been prioritised for inspection not being achieved
- All officers completed the required amount of CPD to maintain competency
- A thorough audit was undertaken on the completion of Shellfish Registration document throughout the season, resulting in a significant improvement in compliance in this area

6.2 Identification of Any Variation	The main areas where the service deviated from the Service Plan for 2021-22 were: • We were able to progress more quickly on some areas of the Recovery Plan, particularly in relation to Category C non-broadly compliant and Category B Hygiene premises. • For Food Standards we were able to progress more quickly on Category A, B and C premises • We did not inspect all the Feed premises we had planned to inspect, particularly in relation to R13 Livestock Farms. We achieved 32 out of the 50 planned visits
6.3 Key Areas of Improvement / Development	The main areas for improvement or further development are: • To complete all programmed inspections in line with the FSA Recovery Plan • To undertake further project work in relation to Pre-packed for Direct Sale legislation to support micro-businesses in compliance with these new requirements • Submitting a business case for the introduction of the Food Standard Agency 'Registering a Food Business' platform
6.4 Forthcoming Considerations	As set out in last year's Service Plan, the FSA Recovery Plan acknowledges that local authorities will be starting their recovery plans from different positions, dependent on the impact that COVID-19 has had on their service to date. They also state that local authorities should, where possible, move at a faster pace to realign with the intervention frequencies and other provisions set out in the Food Law Code of Practice. There is still a commitment by the service to move at a faster pace than the minimum set out in the Recovery Plan. However, should the level of non-compliance found during the overdue interventions be such that service delivery is adversely affected, we will review the level of Category B and C Food Standards inspections we undertake and the level of intervention undertaken in Category C Hygiene premises that have consistently received a Food Hygiene Rating of 5. This discretion is already permitted under the Recovery Plan.

A new database has been procured for the service as part of the wider portfolio system. This will place a significant pressure on the service from a preparation, planning, data migration, training and implementation as the previous database is due to become obsolete during this financial year.

A new Hybrid Working Policy is due to be introduced for the organisation. This may lead to a review in some current ways of working which should improve efficiency and effectiveness further.
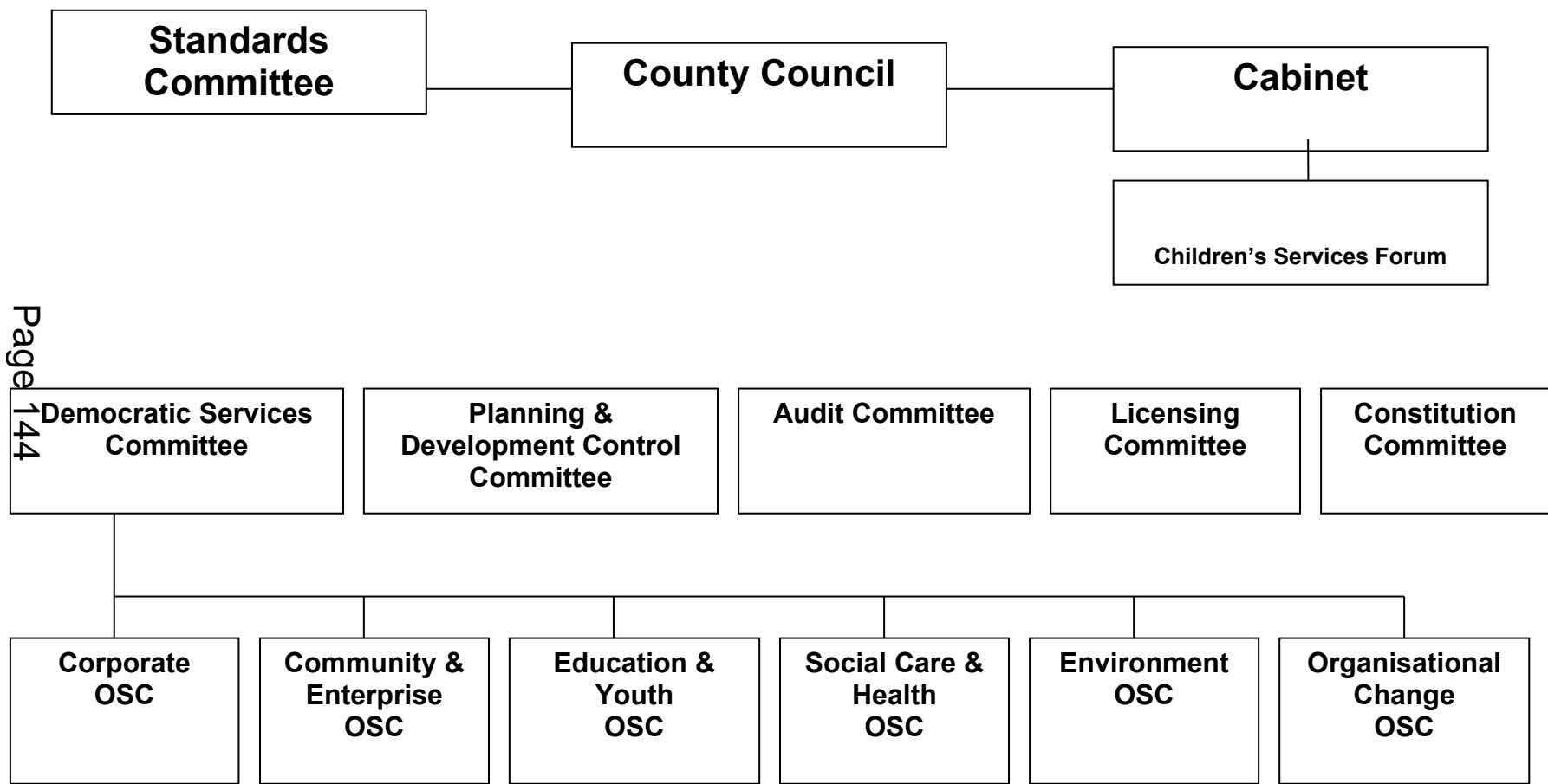
As part of the Food Standards Agency Achieving Business Compliance programme, they are proposing to introduce a new delivery model for Food Standards for the start of 2023-24, which will require database changes and staff familiarization in Quarter 4 of this financial year. The FSA are also proposing to introduce a new Food Hygiene Delivery Model during 2023-24 but there is no proposed date of introduction as yet. This may impact our service during Quarter 4, dependent on the proposed date of introduction.

Chart 1

FLINTSHIRE COUNTY COUNCIL - ORGANISATIONAL STRUCTURE

Chief Executive	Chief Officer Governance	Chief Officer Education and Youth	Chief Officer Social Services	Chief Officer Streetscene and Transportation	Chief Officer Planning, Environment and Economy	Chief Officer Housing	Chief Officer Assets
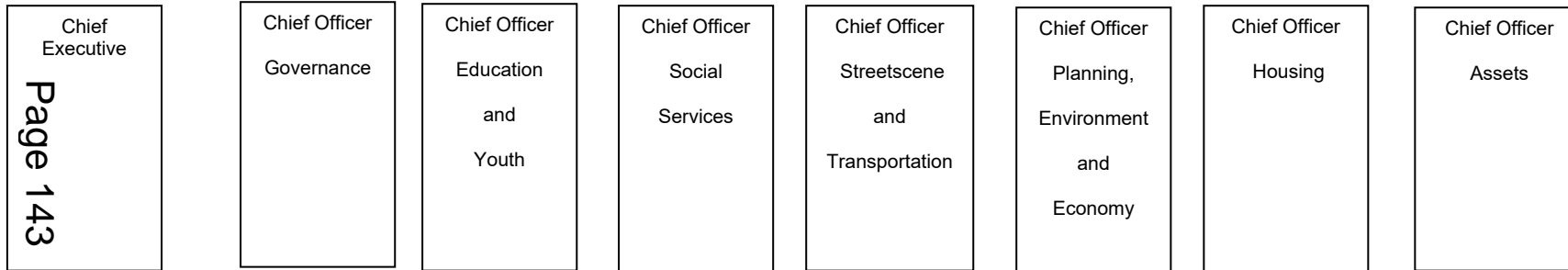
Page 143

Chart 2

FLINTSHIRE COUNTY COUNCIL – POLITICAL STRUCTURE

Standards Committee	County Council	Cabinet

Children's Services Forum

Democratic Services Committee	Planning & Development Control Committee	Audit Committee	Licensing Committee	Constitution Committee

Corporate OSC	Community & Enterprise OSC	Education & Youth OSC	Social Care & Health OSC	Environment OSC	Organisational Change OSC

Chart 3

COMMUNITY AND BUSINESS PROTECTION - FOOD SERVICE

```
                        ┌─────────────────────────────────┐
                        │         Chief Officer           │
                        │ (Planning, Environment & Economy)│
                        └─────────────────────────────────┘
                                      │
                        ┌─────────────────────────────┐
                        │   Community and Business    │
                        │     Protection Manager      │
                        └─────────────────────────────┘
```

Team Manager – Trading Standards Compliance and Animal Health 1.0 FTE	Team Manager – Food Safety and Food Standards 1.0 FTE

Trading Standards Enforcement Officer 4.6 FTE	Trading Standards Officer 1.0 FTE

Regional Commissioning and Development Officer (Substance Misuse)

1.0 FTE

Technical Db Officer

Environmental Health Officer x 6.5 FTE	Trading Standards Enforcement Officer x 1.0 FTE	Trading Standards Officer x 1.0 FTE	Food Safety Officer x 3.0 FTE

- 34 -

APPENDIX 2

Please find below a breakdown of the profile of programmed Food Safety and Food Standards inspections for 2022-23 by Risk Rating:

Table A

PROGRAMMED INSPECTIONS - FOOD HYGIENE	
Risk	**Number Due**
A	2
B	16
C	400
D	7
E	9
Unrated	28
TOTAL	**462**

Table B

PROGRAMMED INSPECTIONS - FOOD STANDARDS	
Risk	**Number Due**
A	6
B	220
C	94
Unrated	40
TOTAL	**360**

The Risk Rating is determined in accordance with the Food Law Code of Practice. It dictates the frequency of which the food premises must receive a full food hygiene or food standards inspection.

For Food Safety High Risk premises are those with a Risk Rating of A - C. For Food Standards High Risk premises are those with a Risk Rating of A.

Please find below a breakdown of the profile of programmed Feed inspections for 2022-23 by Feed Business Activity. The figure in brackets denote the total number of inspections due within the activity code, with the un-bracketed number denoting the actual number of inspections to be achieved

Table C

High Risk (ATL)/Low Risk (BTL)	PROGRAMMED INSPECTIONS - FEED	
	Registered/Approved Feed Business Activity	Number Due
High Risk – R01-4	Manufacturer of Feed	0
High Risk – R12	Co Product Producers	0
High Risk – R09	Feed Stores	0
High Risk – R05	Feed Distributor	3
High Risk – R08	Feed Transporter	2
High Risk – R10 and R11	On Farm Feed Mixers	28 (4 – R10, 24 – R11)
High Risk – R07	Supplier of Surplus Food	6
High Risk – R06	Pet Food Manufacturer	1
Low Risk – R13	Livestock Farms	71
Low Risk – R14	Arable Farms	1
	Total	**112**

APPENDIX 3 – PERFORMANCE 2021-22

Please note – due to a change in reporting mechanism for 2021-22, the risk band below relates to the risk band the premises was as a result of the inspection in 2021-22 and not the risk band as at 1st April 2021.

Food Safety

Risk		Inspections Achieved
A	High Risk	1
B	High Risk	20
C	High Risk	92
D	Low Risk	41
E	Low Risk	91
TOTAL		**245**

Food Standards

Risk	Inspections Achieved
A High	5
B Medium	79
C Low	131
TOTAL	**215**

Feed Inspections (as per requirements of FSA/Trading Standards Wales Regional FLEDP 2021/22)

Risk	Programmed	Achieved
High	19	15
Medium/Low	50	32
TOTAL	**69**	**47**

Food Hygiene Ratings

Profile of Ratings within Flintshire: May 2022

	5	4	3	2	1	0
	Very Good	Good	Generally Satisfactory	Improvement Necessary	Major Improvement Necessary	Urgent Improvement Necessary
% of Premises	81.5	13.5	2.9	1.25	0.8	0.1

Number of Requests for Rescore Visit to be undertaken   -   4

Number of Appeals on Rating   -   1

Number of Fixed Penalty Notices   -   0

Right to Reply   -   0

Other data in relation to Demands on Food Service

Food and Feeding Stuffs Complaints
Food Safety number of complaints   -   107 linked to Food businesses
Food Standards number of complaints   -   17
Feeding Stuffs number of complaints   -   1
Food Incidents   -   10

Advice to Business

Food Safety   -   200 requests for advice
Food Standards   -   6 requests for advice
Feeding Stuffs   -   7 requests for advice

Food and Feeding Stuffs Inspection and Sampling
Food Safety   -   26 including Shellfish Classification samples
Food Standards   -   10 samples – monitoring for composition and labelling
Feeding Stuffs   -   0

-

Control and Investigation of Outbreaks and Food Related Infectious Disease (Food Safety only)

Sporadic Notifications   -   282   (of which 221 were Campylobacter)
Outbreaks   -   0 Incidents or Outbreaks declared

Other Types of Service Requests (Food Safety only)

Water Disconnections   -   7

Ship Sanitation Certificates   -   0

Export Health Attestations   -   119

Environment & Economy Overview & Scrutiny Committee

Date of Meeting	5th July 2022
Report Subject	North Wales Regional Economic Framework
Cabinet Member	Cabinet Member for Climate Change and Economy
Report Author	Chief Officer (Planning, Environment & Economy)
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to present to Cabinet the final draft Regional Economic Framework (REF) for North Wales and to seek Cabinet's endorsement of its content.

The REF for North Wales promotes collaborative economic development across the region through an agreed and shared set of priorities for delivery amongst regional partners.

The Memorandum of Understanding (Memorandum of Understanding Working Together to deliver a stronger North Wales Economy) sets out how the Welsh Government, the North Wales Economic Ambition Board (NWEAB) and other partners would work in partnership to develop and deliver against a single common North Wales Regional Economic Framework.

In addition to the co-production that took place through the various NWEAB groups, two cross-sector stakeholder events took place. The first in May 2022 provided background and discussion on strengths and opportunities for the region. The second was a series of eight workshops which sought views on priorities for the region.

RECOMMENDATIONS

1	To recommend the draft 'Regional Economic Framework for North Wales' for endorsement by the Council.

REPORT DETAILS

1.00	EXPLAINING THE NORTH WALES REGIONAL ECONOMIC FRAMEWORK
1.01	The Welsh Government's Economic Action Plan (EAP) established the basis for regional working, including a commitment to deliver a stronger regional voice through a regionally-focused model of economic development. This includes the establishment of regional teams and the development of Regional Economic Frameworks (REFs).
1.02	The development of REFs is an essential part of Welsh Government's commitment to a more regionally focussed model of economic development, supporting inclusive and sustainable economic growth; maximising opportunities to address regional and local inequalities and contributing to the Well-being Goals for Wales.
1.03	In developing the REFs, consideration must be given to the immediate recovery required in the wake of the coronavirus pandemic and the longer-term aspirations for the regions.
1.04	REFs are intended as a vehicle to help promote collaborative regional planning and delivery amongst public, private and third sector partners. Delivery will be focussed around a single shared vision for each region and supported by a suite of shared regional priorities and principles.
1.05	The development of REFs will be key in informing and influencing the delivery of Welsh Government funding priorities.
1.06	To create the first draft REF for North Wales, officials from Welsh Government's North Wales regional office and North Wales Economic Ambition Board have undertaken a period of targeted engagement with a range of key regional stakeholders to co-design this placed-based approach to economic development.
1.07	The first draft of the REF builds on pre-existing work and sets out the shared priorities for the region. These priorities align with Welsh Government's aspirations for a well-being economy which drives prosperity, is environmentally sound, and helps everyone realise their potential.
1.08	The well-being economy priorities are presented in the REF under three themes: • The Social and Community Well-being Economy • Experience Economy • Low Carbon and Low Emissions Economy
1.09	The priorities are flexible, allowing the region to adapt and respond to the challenges and opportunities it is likely to face over the next 20 years.
1.10	The draft REF for North Wales was presented to the North Wales Economic Ambition Board Joint Committee on 10 December 2021. The

	Joint Committee decided to recommend the document for endorsement by each of the six North Wales local authorities.
1.11	Vaughn Gething MS, Minister for Economy released a written statement on 22 December 2021, publishing the four Draft Regional Economic Frameworks in Wales. In the statement he stated that further and final consideration of the document by the individual local authorities and other partners in the North Wales region, should continue into January 2022. He stated "We remain committed to working in partnership with partners and stakeholders to deliver against the vision and priorities set out in each of these documents: the opportunities and challenges require our combined efforts if we are to deliver effectively against our collective ambitions."
1.12	<u>Next Steps</u> The immediate next steps will be to establish, via the Economy Recovery Group (and other key partners), a delivery programme. This will include considering how we prioritise the delivery packages, and who is best to lead on those, recognising and respecting existing regional governance and delivery architecture. Some of this work is already taking place and we will therefore need to have a better grasp of all the ongoing work, the funding packages under each priority area before creating new areas of work.

2.00	RESOURCE IMPLICATIONS
2.01	There are no financial implications directly associated with this report nor are there any legal implications arising directly from approving the decision sought in this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	**Undertaken by Welsh Government and North Wales Economic Ambition Board as lead bodies for the REF's production.**

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Consultations undertaken by Welsh Government to support the REF's production. Further consultation will be required in the production of the REF Delivery Programme

5.00	APPENDICES
5.01	Appendix 1 - North Wales Regional Economic Framework

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Andrew Farrow, Chief Officer, Planning, Environment and Economy **Telephone:** 01352 703201 **E-mail:** Andrew.farrow@flintshre.gov.uk

8.00	**GLOSSARY OF TERMS** **These are provided corporately on the Infonet (link) and maintained by the Executive Office**

Uchelgais
Gogledd Cymru
Ambition
North Wales

Llywodraeth Cymru
Welsh Government

North Wales Regional Economic Framework

The walls here, in this tract of land,
Are something more than walls;
In the fabric of this building are,
Of our long history, ancient, ancient yearnings.

Here, between salt marshes and mountains
The Welsh have, for ages long past –
Their princes and their bondsmen –
Hewn hope from rocky places
And felt a surge, like the surge of the sea,
Thrusting together, as great stones and fragments,
A building which now has become
For us an emblem of a Nation.

Gwyn Thomas

Gwyn Thomas was invited as the National
Poet for Wales to create a poem for the
opening of the Welsh Government office
at Llandudno Junction. If we read 'building'
to mean 'region', the poem reflects the
ambition of the region over the centuries.
The Welsh version is published by Barddas,
Profiadau Inter Glactig.

OGL

Contents

Ministerial Foreword

Firstly, I would like to thank the partners across North Wales for working tirelessly for the benefit of the region, particularly in the face of recent challenges.

The Regional Economic Framework should tackle the challenges we face and improve the lives of people across North Wales. It should allow us to put collaboration ahead of competition, showing how we will act to maximise fairness for all and eliminate inequality at every level of society. It sets out our shared top priorities to address the damage to our economy caused by decades of austerity, Brexit and the impact of coronavirus. Therefore, providing decent jobs, relevant skills and new training opportunities. Together, we will embed our response to the climate and nature emergency in everything we do and deliver

a green transformation which starts in our local communities. We will achieve this by strengthening the resilience of our natural and built environments to the impact of a changing climate and by enabling an economic transformation that will eliminate our reliance on fossil fuels, creating the industries and the jobs of the future. This will mean having to face very difficult discussions and decisions in the region.

We are working in partnership with the North Wales Economic Ambition Board and other partners to build an economy based on sustainable jobs and fair work. I commend the Board's foresight of having key partners from both economic development and education around the table, thus ensuring that both of these areas are embedded in every decision. In partnership, we will

> …Together, we will embed our response to the climate and nature emergency in everything we do and deliver a green transformation which starts in our local communities.

support Welsh businesses to create new jobs, innovatively tackle our challenges and create opportunities, find new export markets and invest in the sustainable green industries of tomorrow. Combined, these will support our goal of a zero-carbon Wales.

The Framework, co-produced with our regional partners, has a key role in ensuring activities at all levels align to focus our resources where they can have greatest impact. Communities are central to this. We are committed to delivering a stronger regional voice and an approach that builds upon North Wales' existing collaboration in relation to economic and community development.

Across the public sector, we need to understand our individual and collective roles to support the region, including working with the communities we serve by working with the third sector and private sector to deliver a just economy.

Corporate Joint Committees (CJCs) provide further opportunity for Local Authorities to work together and with the Welsh Government across a number of policy areas including economic wellbeing.

Vaughan Gething MS
Minister for Economy

Chair of the North Wales Economic Ambition Board – Foreword

As Chair of the North Wales Economic Ambition Board, I am delighted to see this first iteration of the Framework published. I am immensely proud of this region – it has so much to offer its residents and the world. From its fantastic environment to its unique communities. We need to ensure this framework allows us now to support an economy that is suitable to North Wales, building on all our strengths.

This is the first REF for North Wales and builds on the strong collaborative tradition that we have developed in the region over decades, including working with cross-border colleagues in Ireland, Mid Wales and North West England.

The framework is the result of gathering information and extensive engagement to co-design with key partners in the region and beyond. It is about putting what we already know onto paper to then allow us to understand how best to collaborate in the future. I am under no illusion; the hard work will be starting now to create the action plan to deliver on the priorities.

North Wales' economy is facing significant challenges. With diminishing resources, it is right that the REF begins the task of determining where to focus; the roles and responsibilities will then follow to set our regional economic direction.

This first version of the REF is intentionally broad and high level, with much of the detailed and technical rationale found in other key documents such as the Economic Vision for North Wales, local development

plans and Working Together to Reach Net Zero: All Wales Plan. The REF is the first stepping stone in a process to ensure we create an efficient and effective means of working together across the region to realise our potential for the benefit of our communities. Future work will lead us to a point where we all know our role in the region, how we support each other within these roles and provide us with the ability to strategically secure funding for the benefit of our communities.

This REF reflects and builds upon the existing work at a regional level and through a place-based and inclusive approach, echoes the discreet challenges and opportunities of people living and working in North Wales.

I recognise that no individual partner has all the answers. This first iteration of a REF will allow us to move on to the next stage of collaboration, which will involve the production of a delivery plan.

In creating this REF, we build upon the shared values that are based on the Wellbeing and Future Generations Act (these are shared in supplementary documents).

Cllr Dyfrig Siencyn,
Chair,
North Wales Economic Ambition Board

National / Regional / Local Priorities and Policies

Regional Anchor Interventions
North Wales Growth Deal, Mersey Dee Alliance, AMRC, Regional Magnets

REGIONAL ECONOMIC FRAMEWORK

North Wales Recovery Prospectus

Inform / Influence

Inform / Influence

Support

Inform / Develop

UK, Welsh and Local Government funding streams

Economic Renewal

North Wales Growth Vision Refresh

North Wales Regional Economic Framework – Mission

Our mission through this REF is to start creating innovative opportunities to ensure we protect and enhance our natural environment whilst also allowing communities to thrive. Building on our strengths and taking advantage of opportunities where they add value, beyond monetary value alone, to the region.

North Wales is a region with a wealth of attributes. People have realised the importance of North Wales since the early beginnings of civilisation. It has been home to Welsh Princes and many bloody battles, which has created a powerful sense of belonging, cultural heritage and appreciation of the landscape. This has led to a wealth of literature and diverse economy which has evolved over the centuries.

The REF is not a rigid or traditional document, it provides a framework to capture how the public, private and third sectors are planning to deliver on its priorities.

The success of the framework will be measured by the individual actions which follow on from its publication. In doing so, we must ensure we take clear action to address the challenges faced and current and future opportunities for the regional economy as a result of the pandemic, EU exit and of course the transition to net zero carbon.

The REF, through its priorities, sets out a path to boost productivity and accelerate sustainable economic and inclusive prosperity by working in partnership with the ecosystem of support to deliver collective impact.
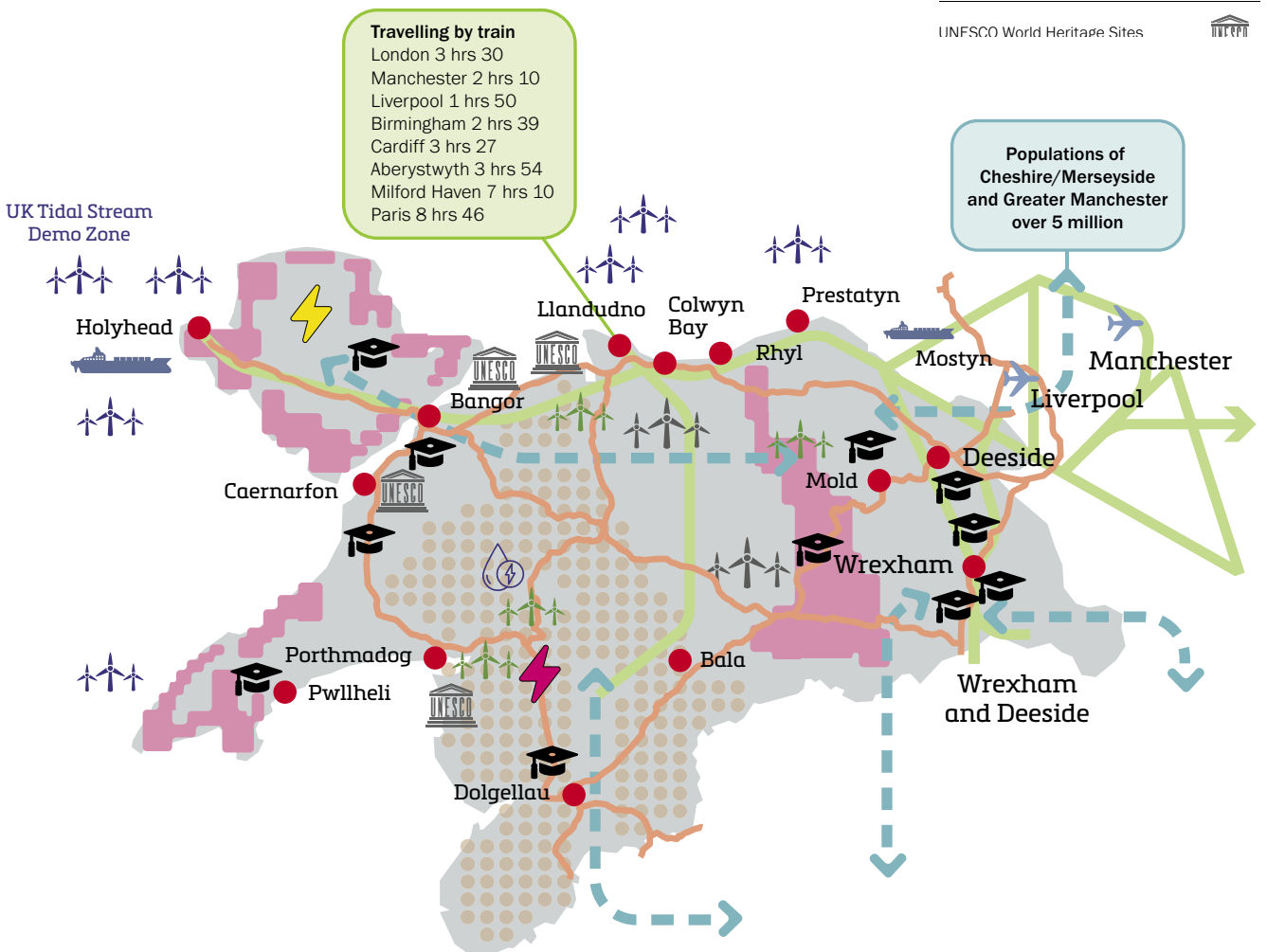
Key role of the REF
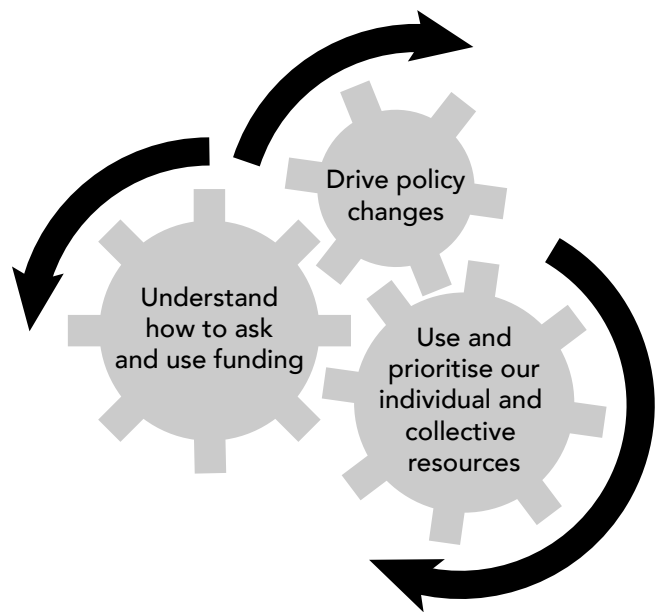
The priorities are flexible and will be reviewed on an ongoing basis, allowing us to better adapt and respond to the dynamic challenges and opportunities of the Region. The priorities are framed in the context of a whole systems approach to facilitate decarbonisation of the economy, adapting and mitigating to climate change and improve the resilience of ecological networks (not in any order):

1. Skills & Workforce
2. Investment in magnets, hubs, supply chains, research and development, innovation and Entrepreneurship
3. Balanced support for indigenous and inward investors
4. Language, culture, place & heritage
5. Foundational Economy and a vibrant Micro / SME base.
6. Empowering communities for the benefit of our future generations

7. Connectivity (transport and digital)
8. Leverage benefits of public sector
9. Low carbon energy
10. Food and Drink Industry

Based on stakeholder engagement and initial research (as found in the supporting documents), this document sets out to present priorities which have evolved from the barriers to economic activity and the strengths that already exist. Under the leadership of the North Wales Economic Ambition Board, the Growth Deal has provided a strong basis for the development of the REF.

Ports	
Airports	✈
Railway	▬
Roads	▬
National Connectivity	⟵⟶
Areas of Outstanding Natural Beauty	
National Parks	
Anglesey Energy Island, including Wylfa Newydd	⚡
Trawsfynydd	⚡
Hydro	
Offshore Wind Energy	
Pre-assessed Areas for Wind Energy	
Onshore Wind Energy	
Universities, Higher Education, Further Education	🎓
UNESCO World Heritage Sites	

Travelling by train
London 3 hrs 30
Manchester 2 hrs 10
Liverpool 1 hrs 50
Birmingham 2 hrs 39
Cardiff 3 hrs 27
Aberystwyth 3 hrs 54
Milford Haven 7 hrs 10
Paris 8 hrs 46

UK Tidal Stream Demo Zone

Holyhead

Caernarfon

Bangor

Porthmadog
Pwllheli

Dolgellau

Llandudno
Colwyn Bay
Rhyl
Prestatyn
Mostyn

Mold
Deeside

Wrexham

Bala

Wrexham and Deeside

Populations of Cheshire/Merseyside and Greater Manchester over 5 million

Manchester
Liverpool

Population

Just over **700,000** people

Population Change

6.4% increase from 2000-2020

largest Conwy – **8.8%**
lowest Anglesey – **3.7%**

Population

2.5% pop density growth 2010-2020

Population

Population growth rate was **lower** between 2000 and 2020 than between 2000 and 2010

Population

Over **100,000** residents in 4 out of the 6 Authorities. Flintshire, Wrexham, Gwynedd and Conwy

Welsh Language

204,406 Welsh speakers

Welsh Language

41% of people speak Welsh.

2.8% increase since 2010

Economy

2021 – average weekly earnings was **£564.00** – highest of the 4 economic regions in Wales, and above the UK average

Employment

315,200 jobs in the region in the year ending June 2021. A decrease of **11,300** on the previous year.

Employment

5,135 new registered businesses across North Wales since 2018 (figure calculated by summing the published rounded figures for 2019 and 2020)

Employment

In 2019, **65,360** active businesses in North Wales: micro (0-9 employees) – **61,745**, small (10-49 employees) – **2,365**, medium (50 – 249 employees) **560**, large (250+ employees) – **690**

Economy

In 2019, North Wales GVA was **23%** of Wales' total GVA

Economy

North Wales' GVA value was **£15.4 billion** in 2019

Connectivity

18.5km average distance people travel to work

Connectivity

Digital connectivity **92%** of homes and small businesses having access to at least 30Mb/s

Home to Snowdonia National Park **3** Areas of Outstanding Natural

15 mountains above **3000ft**, including the highest mountain in England and Wales

1210 scheduled monuments of national importance

5 Heritage Coast designations – The Great Orme, North Anglesey Coast, Holyhead Mountain, Aberffraw Bay and Llyn Coast

3 UNESCO sites (World Heritage Sites) Castles and Town Walls of King Edward in Gwynedd, Pontcysyllte Aqueduct and Canal and Slate Landscapes of Northwest Wales

There are **24** registered landscapes of outstanding or special historic significance

10911 listed buildings in North Wales of which **184** are Grade I – the highest category and **759** are Grade II*. There are also **177** conservation areas.

134 registered Historic Parks and Gardens in the region

Llyn Tegid – Wales's largest natural lake

The Wellbeing Economy

The REF is based on the principles of a Wellbeing economy. The Wellbeing Economy means taking a different approach to developing the economy for North Wales. It is not simply about economic growth at any cost and requires us to change our focus from growth alone, to sustainable growth, which protects and supports our communities.

This is about recognising the root causes of the challenges we have in North Wales, rather than patching them. It is about creating equality, allowing communities to have the confidence and ability to be sustainable. Allowing the economy to thrive and prosper.

Fundamentally, we need to understand what success will look like for North Wales; whilst important, it is not simply about GDP/GVA. The role of this first REF is to gradually influence the shift in our thinking from growth alone towards a wider set of metrics, set against the wider priorities such as the climate and nature emergencies.

The REF, following stakeholder discussions, has been structured around three core themes:

Clearly, these create artificial boundaries, and the complexity of the relationships are not to be ignored. These have been created to allow for a readable document. The diagram at the beginning of each theme illustrates the interdependent aspects related to that area.

Regional Economic Framework – Priorities

1. The Social and Community Wellbeing Economy

Town Centres

Living wage

Social Care

Digital

Regeneration

Active Transport

The Social and Community Wellbeing Economy

Employment fulfilment/ satisfaction

Health Research

Nature/ Biodiveristy

North Wales Medical School

Medical isotopes

Public Transport

Welsh Language

Gwynedd highest proportion of Welsh speakers both in North Wales and Wales

76.9%

Population

2000-2020 the proportion of population aged **65** and over increased from **18.3%** to

23.4%

Population

75% of people aged 16 and over reporting good or very good general health 2017-2018 and 2018-2019

Population

2000-2020 regional population growth rate of

6.5%

Population

2000-2020 Proportion of the population aged **15** and under fell from **19.8%** to

17.6%

Welsh Language

Number of Welsh speakers up approximately

2.4% (year ending December 2020) since 2010

Economy

Welsh Government funded public sector bodies alone spend

£6.3 billion per annum on external goods and services (all Wales)(Manufacturing Future for Wales Framework, February 2021)

Higher Education

2019-20

17,290 enrolments on Higher Education (HE) courses to providers based in North Wales, representing 13% of student enrollments across Wales

Labour market

20.7% economic inactivity (excluding students) rate (year ending June 2021). North Wales saw the largest increase of economic inactivity (excluding students) across Wales compared with the previous year.

Connectivity

2017-18

1.4 million travel by train, an increase of 20,525 on 2007-08

Employment

According to Betsi Cadwaladr University Health Board, it employs over

17,000 staff

Higher Education

2019-2020 – Bangor University saw the highest number (**58%**) of HE enrollments to providers based in the region

Deprivation

Of the **191** most deprived LSOAs across all of Wales in 2019 – i.e. the 10% most deprived, **23** of them are within North Wales. Areas of Rhyl and Wrexham feature in the list of top ten most deprived areas.

Connectivity

2011 Census data shows that on average, working residents in NW had longest commute anywhere in Wales apart from Wrexham, this has increased in each local authority in the region since 2001

Connectivity

75.7% of workers aged 16-74 living in North Wales travelled to work by car, van, motorcycle, scooter or moped

Town Centres

2 cities in north Wales – Bangor (18,000) and St Asaph (3,500)
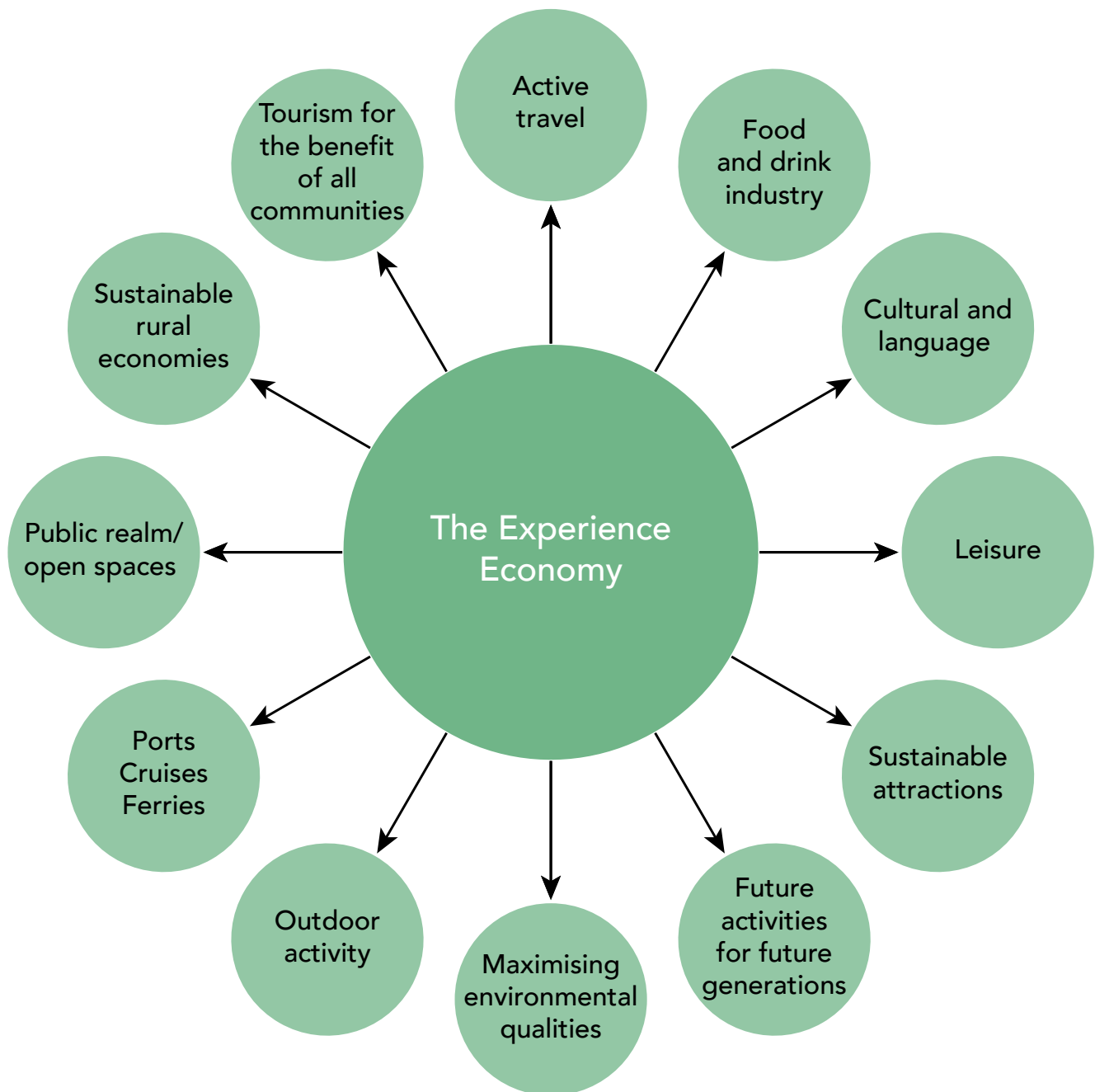
Page 167

Priorities:

1.1 To work collectively as a region, recognising that how we deliver is as important as what we deliver. By embracing collaborative ways of working, we can maintain and increase our impact despite reduced resources and a capacity across all sectors. Building on the Growth Deal portfolio approach, ensuring cross-border involvement, our collaborative thinking will require immediate action on:

- **Funding** – Understanding how collectively the individual elements of funding can be used more efficiently to create a co-ordinated approach to ensure the required infrastructure, and long term inward investments for the region which will support and provide opportunities for the indigenous supply chain.

- **Evidence** – Identifying a collaborative approach to collate evidence and eliminating gaps across the region to provide baseline evidence for future opportunities and means of measuring a successful and thriving economy in North Wales.

- **Skills** – Developing our understanding of the skills required, ensuring the right skills for a future workforce providing opportunities for all, which provides a living wage.

- **Procurement** – Creating a sustainable procurement process, by ensuring public sector procurement is used to encourage the wider decarbonisation of supply chains. Working with our anchor institutions to establish a strong link with communities in the way companies operate (Social License to Operate). Ensuring that public sector procurement drives development of deep and resilient local supply chains and positive social and environmental outcomes.

- **Supply Chain** – Ensuring a co-ordinated approach to ensure we maximise opportunities for indigenous companies.

- **Climate Change** – Holding difficult conversations to deal with the effects of climate change and to ensure we meet our net zero targets whilst also providing for a thriving economy and communities.

- **Safeguarding Communities** – Supporting the acceleration in home building by councils, housing associations and private developers whilst ensuring theses are delivered for the benefits of local communities using local skills and materials wherever possible.

- **Social Care** – Supporting the resilience of the Social Care economy and workforce recognising that the region has a high population of residents over 75years old in our communities.

- **Digital connectivity** – Ensure that all areas of the region have the digital connectivity required to work in a virtual world to allow for equality to access jobs.

- **Research, Innovation and Entrepreneurship** – Spporting our public services and private business with a real focus on local indigenous SMEs.

- **Transport connectivity** – Protecting and enhancing services to Ireland and cross-border to England and into mid Wales, ensuring access to public and active transport modes. Allowing communities to travel with ease in the most carbon efficient means, whilst also strengthening our connection with the rest of Europe and the world, including a focus on the Holyhead master plan.

1.2 To maximise the impact of health service expenditure within the region.

1.3 To secure additional projects associated with new advanced technologies, such as, medical radioisotope, recognising the potential for growth in health research in the area through the North Wales Medical school.

1.4 To confidently promote and champion north Wales as a region with a wide range of economic opportunities, including the Growth Deal investments. Enticing our young people to stay and provide an ambitious and attractive place to live, for skilled and well-paid employment and to encourage investment.

1.5 To support a strong recovery, working with existing provision, enhance, supplement, and provide targeted and integrated offer to those who want to start or grow a business in north Wales. The region has a high percentage of SMEs, including business owners and the self-employed who face particular challenges and have had less access to Government support. Learn from work in collaboration and build on programmes such as Arfor and Business Wales.

1.6 We will need strong partnerships between communities, businesses and councils to enable town centres and villages to capitalise on redefining the role of the local high street. Supporting and allowing smaller businesses to be more competitive, becoming focal centres for remote working and amenities by establishing community hubs which can deliver valuable and create innovative services.

1.7 Working with our future generations to understand what they need from our town centres, to ensure we create opportunities for the youth, catering for their needs which will influence them to stay in the region whilst pursuing and progressing their careers.

1.8 To ensure the development of a range of bilingual further and higher education courses. Allowing students to develop careers rooted in the region. Utilising the strong collaborative skills capability in the region, building on the opportunities which will come from developments such as the North Wales Medical School, M-SParc and AMRC Cymru.

1.9 To maximise opportunities of virtual working to allow opportunities for those living in rural areas. Creating access to work without the need to travel and therefore providing a platform for innovative digital opportunities for the development of multi-language tools to allow users to use the Welsh language and for the region to be a world leader in multi-language interface technology.

2. The Experience Economy

The Experience Economy

- Active travel
- Food and drink industry
- Cultural and language
- Leisure
- Sustainable attractions
- Future activities for future generations
- Maximising environmental qualities
- Outdoor activity
- Ports Cruises Ferries
- Public realm/ open spaces
- Sustainable rural economies
- Tourism for the benefit of all communities

Tourism

Direct employment

42,326

(2018, STEAM report)

Tourism

Economic Impact of Tourism Sector –

£3.1 billion

(2016) (Wales Wide)

Tourism

Annual average for tourism expenditure

£1.5 billion

in 2017-2019 (Tourism profile NW 2017 – 2019)

Tourism

Anglesey, Gwynedd and Conwy have among the largest proportions of employment in tourism across Wales, after Pembrokeshire

Tourism

When considering the number of visits to tourist attractions in Wales in 2018, **7** of the top **10** paid attractions in Wales were in North Wales: Bodnant Garden, Caernarfon Castle, Conwy Castle, Great Orme Tramway, Nova Prestatyn, Zip World Fforest, and Zip World Slate Caverns

Tourism

In 2019, a total of

2.4 million

sea passengers travelled between Wales and Ireland. **1.9 million** of these passed through Holyhead

Public Realm and Open Spaces

2018 – **5** of the top **10** free attractions in Wales were in North Wales (2018): Gwydir Forest Park, Newborough National Nature Reserve, Pontcysyllte Aqueduct & Trevor Basin Visitor Centre, Snowdon (Walkers) and Tir Prince Fun Park, Racecourse & Market

Culture

Second homes – areas of Gwynedd and Mon experiencing as much as

40%

of housing stock as second homes (LDP)

Culture

In 2019/2020, libraries in North Wales:
• Welcomed **2,317,802** visitors
• Had **218,692** members
• Employed **167** people
• Loaned **2,038,402** physical books
• Loaned **251,471** EBook/ EAudio titles
• Generated **£473,250** of income

Culture

36

Accredited (or working towards accreditation) museums in North Wales. and Wales

Culture

There are

48 public libraries in North Wales

Culture

The Creative industry in NW supports

10,800 jobs

Culture

The weekly average earning of the creative industry is

£711

Culture

There are more than

1,110 enterprises linked to the creative industry

Culture

In 2019, museums in North Wales:
• Contributed **£20,015,174** to the local economy
• Welcomed **1,384,594** visits

Culture

In 2019 the nine staffed historical monuments sites welcomed over

660,000 visitors

and **13,500** educational visits

Culture

There are

61 historic monuments in state guardianship ranging from prehistoric burial sites to Medieval abbeys and castles

Page 171

All Wales figures

Sports and Leisure

For every **£1** invested in sport in Wales there is a return of £2.88

Sports and Leisure

The sport industry in Wales grown by 10% to **£1,142m** in 2016/17

Sports and Leisure

The sporting economy contributed **£1,182m** in Consumer Expenditure on Sport and generated 29,700 sport-related jobs in 2016-2017, however most of these were located in other regions. (The value of sport in Wales. | Sport Wales)

Food and Drink

Welsh food and drink exports **£551 million** in 2020 (was growing until Covid hit Wales), a decrease of £19 million from 2019

Food and Drink

Businesses in the supply chain had a turnover of **£22.4 billion** in 2020, an increase of £272 million from the previous year

Food and Drink

GVA for Welsh food and drink increased by **3.9%** from 2018 to 2019, from **£3.70bn** to **£3.85bn**

Food and Drink

Food and Drink exports increased overall from 2016 to 2020 to **£551.9m** (increase of £116.3m)

Food and Drink Industry

Food and drink sector accounts for **17.8%** of employment in 2019 (239,300 workers) (including farmers and agricultural labourers)

Priorities:

2.1 In order to support the sustainable development of the experience economy, to protect communities and support industries, we need to react to the most pressing issues collaboratively:

- support local communities to take advantage of and be responsible for supporting the experience and visitor industry in a way which benefits those communities, working across the region and with other similar regions across the UK to develop best practice.

- ensure an all-year tourism offer where appropriate, to create more sustainable opportunities for workforce.

- development of higher-level pipeline of multilingual skills in hospitality, service industries, outdoor pursuits and events management, leading to skilled roles at higher rates of pay.

- develop a food and drink strategy, including community food strategies, for the North Wales region, to grow our businesses' scale, value and productivity as well as benefiting our people and society.

- aligned with the Food Innovation Wales programme, maximise opportunities to ensure our food and drink sector can be UK leaders. Reaching for the highest levels of sustainability and ensuring fair work in Wales is rewarded, heard, and represented.

- work collaboratively through newly established the North Wales Regional Sports Partnership, to drive investment to deliver resources and change at scale.

- strengthening creative industry opportunities across the region which ensures innovative opportunities for the Welsh language and culture to thrive

even more, ensuring that all areas have access to cultural activities.

2.2 To work with our indigenous businesses to ensure they are in a strong position to benefit from the visitor economy, providing them with the skills to develop, create new opportunities and to protect local communities and their environment where these activities happen.

2.3 To think creatively, by aligning with tourism-related projects, on providing opportunities and facilities for young people by ensuring our town centres have leisure and night-time provision which can compete with other areas, catering for year-round activities to provide a choice for young people. Thus providing a real opportunity for the region to retain its future workforce.

2.4 Realising the economic benefits of public realms within our towns, allowing residents and visitors to benefit from parks and open spaces, squares and tree-lined streets.

2.5 To ensure that any significant spend in relation to cultural infrastructure or key activity filters through to other activities in the region, maximising the impact of public spend.

2.6 To explore opportunities for communities to have active roles in expanding the cultural offer, building on opportunities which have been created in many towns/ villages across the region and are key in keeping our heritage and literature alive and relevant.

Manufacturing
Aerospace
Automotive

Hydrogen

Agriculture

Circular economy

Nuclear

The Low Carbon and Low Emission Economy

Infrastructure Ports, Roads, Rail, Grid

Renewable energy

Property and land Housing, Industrial, Forestry

Decommissioning

Local ownership Housing, Energy

Transport

Community benefits

Page 174

Renewable Energy
We host
37%
of Wales' renewable energy capacity (1,183 MW)

Renewable Energy
Of the renewable energy installed in the region, of which
8% is locally owned

Renewable Energy
85%
of the 17,800 low-carbon energy projects in the region were for solar energy

Renewable Energy
Ynys Mon, Conwy and Wrexham had the lowest low-carbon energy capacity in the region **85 MW**, whilst Flintshire had the highest with over
30%
of the region's capacity

Renewable Energy
39%
Largest proportion of energy use is for commercial and industrial consumption

Renewable Energy
NW's total energy consumption fell by 5% between 2005 and 2017 and the greenhouse gas emissions from our energy system fell by
28%

Renewable Energy
North Wales consumes nearly
25% of Wales' energy, slightly higher than its population of 22% (2019)

Renewable Energy
36%
of our homes are EPC band E, F or G

Agriculture
Total emission from agriculture sector in Wales have declined by
12%
between 1990-2016

Agriculture
Agriculture emissions dominated by methane (62%) and nitrous oxide (28%), with 10% of sector emissions as carbon dioxide. This reflects the dominance of livestock enteric emissions (largely from sheep and cattle), which accounts for **54%** of the sector's emissions in 2016.

Transport
Workers living in NW aged 16-74 travel to work (census 2011):
75.7 % (237,000) by car, van, motorcycle, scooter or moped
11.9% (37,000) on foot or by bike
5.1 % (16,000) by train, bus, minibus or coach

Transport
2019 – **567,000** lorries and unaccompanied trailers passed through Welsh ports to and from Ireland. 81.9% of this traffic went through Holyhead (see StatsWales)

Nuclear
In Wales, there are
893 people employed directly in nuclear industry organisations

Nuclear
2016 estimate put the GVA contribution of the average nuclear worker to the economy at
£96,600

Waste
2020 over
65%
of waste in Wales recycled

Manufacturing
Commercial and industrial electricity consumption constitutes
71% of all electricity consumption in the region

Infrastructure /Ports
2018 Holyhead had the third largest volume of freight traffic –
5.2 million tonnes

Infrastructure / Roads
The A55 –
87 miles crossing 5 of 6 local authorities in North Wales, forming part of the trans European network

Page 175

Priorities:

3.1 To work collaboratively across every sector, especially with the utility sector, to create Low Carbon Energy and Green Growth Route maps. Developing and implementing a coherent, multi vector energy system which provides a consistent approach to exploiting opportunities in low carbon and green growth to maximise skills capability and wider benefits to local communities and ensuring the pound stays local.

- **Hydrogen Route Map** – Continue to develop a route map to understand how the opportunity for the deployment of Hydrogen across the North Wales Region can best be delivered, maximising the expertise, assets and benefits that could be derived.

- **Low Carbon Energy** – Welsh Government and Regional Partners to prepare an action plan to deliver the North Wales Energy Strategy, which highlights the scale of the economic opportunity presented in the drive to achieve net zero.

- **EV charging** – To work collaboratively to deliver a network across the region ensuring that every community has the access required to the infrastructure.

- **Energy efficiency** – To improve the energy efficiency of the region's housing and accelerate the decarbonisation of North Wales' building stock and to ensure a significant shift in the way homes are heated and their level of energy efficiency across the region.

3.2 To collaboratively work across the region to develop a sustainable supply chain, skills and port infrastructure to support the offshore wind and marine industry in the region and globally:

- **Tidal stream** – Building on work that is already taking place to ensure local companies can be competitive to support this growing industry.

- **Tidal range (lagoon)** – Continue to explore the potential of this industry in North Wales and ensure we have the supply chain ready to support.

- **Offshore wind** – Working with the developers of fixed offshore wind to ensure we create sustainable long-term opportunities for supply chains and ports in the region, creating a strong platform to also support floating offshore wind and wave.

3.3 Pursue a just energy transition, keeping wealth local and ensuring our communities and public institutions have a say over, and stake in, how we generate and save energy.

3.4 Establish ways in which energy generation on sites and the retrofit of properties can be done in a way that builds community wealth, ensuring local businesses and people benefit from the amount that will be spent on the energy transition.

3.5 Seek opportunities to support and invest in the low carbon economy at key locations, projects and facilities in North Wales. This includes marketing the region as a location of choice for future investment alongside providing support for the Welsh supply chain to compete for work across the UK and overseas for:

- **Nuclear** (new build and decommissioning at Wylfa and Trawsfynydd),

- **Offshore wind** (including decommissioning),

- **Marine** (tidal stream and range) energy

- **Hydrogen**

- **Holyhead Gateway**

- **Space, aerospace and automotive** (manufacturing, R&D and key locations

including Deeside / Wrexham cluster, Llanbedr and Valley).

3.6   To optimise North Wales' place in the knowledge economy, with partnerships and facilities such as the Northwest Nuclear Arc, Optic Glyndwr and M-SParc, enhancing a place-based network of R&D facilities and supply chain companies stretching from Cumbria to North Wales and encompassing Lancashire, Greater Manchester, Cheshire and Sheffield City region.

3.7   To reposition High Value Manufacturing (HVM) for post-Covid, post-Brexit and low carbon future by delivering the Framework for the Future of HVM, particularly in relation to Industry 4.0, digital technology and automation, building on our investment in Advanced Manufacturing Research Centre (AMRC) Cymru and planned development of Advanced Technology Research Centre (ATRC). This will be critically important in securing innovative opportunities in North Wales to reduce emissions by working with academia to use more recycled content through a circular economy approach.

3.8   To work regionally with the development company Cwmni Egino Cyf to ensure we maximise the opportunities across the region for nuclear and potentially other forms of energy generation.

3.9   Many parts of North Wales suffer from poor public transport connections, which impacts on residents' access to jobs, education and training. We need to continue to promote active travel, deliver road safety schemes and encourage a return to public transport as the reliance on the private car is growing. We need to work together to source investment in new strategic

transport links and to approach opportunities to achieve shifts to lower carbon transport modes:

- **Active transport** – Providing a true alternative to communities, recognising the importance of the role of the communities in this, especially to change the behaviours of society.
- **Public transport** – Working in partnership to ensure public transport provides an alternative to the car across the region as well as cross-border.
- **Cycle and walking networks** – Build on the work taking place to create a safe alternative across the region.

3.10   We need to develop a resilient and prosperous agriculture industry, which reduces its carbon emissions through a range of approaches, including the development of improved efficiency in livestock and crop production, nutrient management and increasing the sustainability of farm assets, building on current and planned activities at Glynllifon and Llysfasi.

3.11   To work with the agricultural industry to support innovation and maximise the economic opportunities of agricultural products to ensure the industry leads in terms of sustainability.

3.12   Work jointly to implement systemic change in consumption emissions to ensure we keep resources in use for as long as possible and find new uses for resources, ensuring that community hubs play a key role and that decommissioning is a key consideration in any project taking place in the region across all sectors.

3.13   To work jointly to improve the way we manage our natural resources by ensuring that any future opportunities build and create a resilient ecosystem, creating actions to improve it that

complements the implementation of technological solutions, resource efficiency (maximising product life) and investing in solutions to support the circular economy.

Next Steps

23

The immediate next steps will be to establish, via the Economy Recovery Group (and other key partners), a delivery programme. This will include considering how we prioritise the priorities, and who is best to lead on those delivery packages, recognising and respecting existing regional governance and delivery architecture.

Some of this work is already taking place and we will therefore need to have a better grasp of all the ongoing work, the funding packages under each priority area before creating new areas of work.

Environment & Economy Overview & Scrutiny Committee

Date of Meeting	5 July 2022Tuesday, 5 July 2022
Report Subject	Shared Prosperity Fund
Cabinet Member	Cabinet Member for Climate Change and Economy
Report Author	Chief Officer (Planning, Environment and Economy)
Type of Report	Operational

EXECUTIVE SUMMARY

The Shared Prosperity Fund will deliver £2.5bn of investment until March 2025 across the UK. The aim of the programme is "to build pride in place and increase life chances". UK Government have allocated £126m to North Wales to deliver the programme between 2022/2023 and 2024/2025 with £10.8m allocated to Flintshire for the core programme.

UK Government have set a challenging 16 week timescale to develop and submit a high-level Investment Strategy for the programme. The deadline is 1 August 2022 and delivery of the programme is estimated to need to start in September 2022.

This report provides an outline of the programme, a summary of the work done to date to prepare for it and the next steps required to meet the UK Government's requirements to allow the funding to be drawn down.

RECOMMENDATIONS

That Members review the opportunity presented by the Shared Prosperity Fund programme and work undertaken to date and support the submission of Flintshire priorities into the regional Investment Strategy.

REPORT DETAILS

1.00	**EXPLAINING THE SHARED PROSPERITY FUND**
1.01	European Structural Fund programmes have been a major funding source in Wales for several decades but are due to close over the next 18 months. UK Government has now launched the Shared Prosperity Fund as a domestically-funded replacement to the European programmes. Due to eligibility constraints, Flintshire has been a modest recipient of European funds but the programmes have funded a wide range of programmes to support businesses, develop skills, and increase employability.
1.02	The Shared Prosperity Fund will deliver £2.5bn of investment until March 2025 across the UK. The aim of the programme is "to build pride in place and increase life chances". The investment priorities set out by UK Government are: • Community and Place - Strengthening our social fabric and fostering a sense of local pride and belonging. To build resilient and safe neighbourhoods. • Supporting Local Business - Creating jobs and boosting community cohesion by supporting local businesses. Promoting networking and collaboration and stimulating innovation and growth. Targeted support to help businesses grow - e.g. innovation, productivity, energy efficiency, low carbon and exporting. • People and Skills - Boosting core skills and supporting adults to progress in work. Supporting disadvantaged people to access the skills they need. Funding local skills needs and supplementing local adult skills provision. Reducing levels of economic inactivity and supporting those furthest from the labour market.
1.03	The guidance for the programme was released on 13 April 2022. The programme is to be managed by local government across the UK. Funding is allocated to local government and no competitive bids are expected. An Investment Strategy setting out the approach to delivering the programme is expected in order to release the funding and UK Government will need to receive this by 1 August 2022. UK Government has asked local government in Wales to collaborate to produce one Investment Strategy for each region and to nominate a single Lead Body to submit the Strategy and act as the accountable body for the funding. UK Government has indicated that it will approve Investment Strategies by 31 August 2022.
1.04	Local government is expected, in developing the programme, to engage stakeholders including from the third sector and business community and to provide opportunities for organisations to secure resources from the programme to deliver against its priorities.
1.05	A regional budget allocation has been made available by UK Government as shown below.

Individual authorities	Allocation	%	Core UKSPF £	%	Multiply £	Total £
Conwy	Allocation		20,285,722		4,234,398	24,520,120
Year 1 - 15%	£ 3,678,018.00	15.00%	2,378,904.69	30.68%	1,299,113.31	3,678,018.00
Year 2 - 27%	£ 6,620,432.40	27.00%	5,152,790.05	34.66%	1,467,642.35	6,620,432.40
Year 3 - 58%	£ 14,221,669.60	58.00%	12,754,027.25	34.66%	1,467,642.35	14,221,669.60
Total - 100%	£ 24,520,120.00	100.00%	20,285,722.00	100.00%	4,234,398.00	24,520,120.00
Denbighshire			21,218,792		4,429,165	25,647,958
Year 1 - 15%	£ 3,847,193.70	15.00%	2,488,325.88	30.68%	1,358,867.82	3,847,193.70
Year 2 - 27%	£ 6,924,948.66	27.00%	5,389,800.07	34.66%	1,535,148.59	6,924,948.66
Year 3 - 58%	£ 14,875,815.64	58.00%	13,340,667.05	34.66%	1,535,148.59	14,875,815.64
Total - 100%	£ 25,647,958.00	100.00%	21,218,793.00	100.00%	4,429,165.00	25,647,958.00
Flintshire			10,840,177		2,262,755	13,102,933
Year 1 - 15%	£ 1,965,439.95	15.00%	1,271,226.72	30.68%	694,213.23	1,965,439.95
Year 2 - 27%	£ 3,537,791.91	27.00%	2,753,521.03	34.66%	784,270.88	3,537,791.91
Year 3 - 58%	£ 7,599,701.14	58.00%	6,815,430.26	34.66%	784,270.88	7,599,701.14
Total - 100%	£ 13,102,933.00	100.00%	10,840,178.00	100.00%	2,262,755.00	13,102,933.00
Gwynedd			20,205,992		4,217,756	24,423,747
Year 1 - 15%	£ 3,663,562.05	15.00%	2,369,554.51	30.68%	1,294,007.54	3,663,562.05
Year 2 - 27%	£ 6,594,411.69	27.00%	5,132,537.46	34.66%	1,461,874.23	6,594,411.69
Year 3 - 58%	£ 14,165,773.26	58.00%	12,703,899.03	34.66%	1,461,874.23	14,165,773.26
Total - 100%	£ 24,423,747.00	100.00%	20,205,991.00	100.00%	4,217,756.00	24,423,747.00
Isle of Anglesey			13,304,735		2,777,202	16,081,937
Year 1 - 15%	£ 2,412,290.55	15.00%	1,560,244.98	30.68%	852,045.57	2,412,290.55
Year 2 - 27%	£ 4,342,122.99	27.00%	3,379,544.78	34.66%	962,578.21	4,342,122.99
Year 3 - 58%	£ 9,327,523.46	58.00%	8,364,945.25	34.66%	962,578.21	9,327,523.46
Total - 100%	£ 16,081,937.00	100.00%	13,304,735.00	100.00%	2,777,202.00	16,081,937.00
Wrexham			18,766,853		3,917,353	22,684,205
Year 1 - 15%	£ 3,402,630.75	15.00%	2,200,786.85	30.68%	1,201,843.90	3,402,630.75
Year 2 - 27%	£ 6,124,735.35	27.00%	4,766,980.80	34.66%	1,357,754.55	6,124,735.35
Year 3 - 58%	£ 13,156,838.90	58.00%	11,799,084.35	34.66%	1,357,754.55	13,156,838.90
Total - 100%	£ 22,684,205.00	100.00%	18,766,852.00	100.00%	3,917,353.00	22,684,205.00
			£ 104,622,271.00			£ 126,460,900.00

The programme is predominantly a revenue funding programme but 15% capital (or more by agreement) can be included.

| 1.06 | The Multiply programme included in the table above is a UK Government initiative to boost adult numeracy. The budget for the programme is high and adult numeracy is devolved to Welsh Government for delivery with established programmes already in place. Further discussion between the Welsh Local Government Association, UK Government and Welsh Government is therefore underway to determine how to make the best use of the funding opportunity. |

Progress to date

| 1.07 | The timetable set by UK Government gives 16 weeks to consult stakeholders and develop and approve the Investment Strategy for submission. Although the Investment Strategy itself is not expected to require much detail to be approved, local government needs to: |

- undertake stakeholder engagement both locally and regionally;
- set priorities for the programme regionally and locally;
- agree appropriate governance structures locally and regionally;
- start to prepare the methodology by which funding will be allocated; and
- agree the regional lead body for the programme and set up the necessary structures and agreement.

| 1.08 | Structures have been established regionally to lead this process with a senior manager group established to oversee the development of the programme and an operational co-ordinating group to drive forward the work streams above. |

| 1.09 | It is currently proposed that Gwynedd County Council is asked to act as regional lead authority for the programme. Gwynedd County Council already acts as the lead body for the North Wales Growth Deal portfolio. |

1.10	There have been workshops and meetings regionally to engage stakeholders to inform the priorities for the programme in relation to skills and employment. The majority of skills and employment programmes have tended to be delivered on a regional or sub-regional footprint due to the commonality of needs of the clients and the ability to secure economies of scale.
1.11	Locally, the Council has held three workshops; one for each theme of the programme, with representation from Council teams, external partners, third sector representatives and the business community. The feedback from these sessions will be used to inform the priorities for the programme in Flintshire.
1.12	It is proposed that the existing Economic Recovery Group, a multi-sector partnership established following the covid pandemic, is used to contribute to the governance for the programme. The membership and terms of reference for the group will need to be reviewed for this purpose. In addition, the programme priorities and operating models will need to be approved by Cabinet and reviewed by the Environment and Economy Overview and Scrutiny Committee once the funding has been unlocked by UK Government.
	<u>Next steps</u>
1.13	The programme provides a relatively limited financial resource compared to the breadth of the priorities given by UK Government. It is recommended that the Council concentrates its resources into a smaller number of priorities in order to maximise impact. These should be informed by: • The Regional Economic Framework • The Council Plan and Well-being Plan • The outcomes of the consultation events with stakeholders
1.14	The Council will need to compile its preferred priorities for the programme and submit these for compilation within the regional Investment Strategy alongside the regional elements of the Strategy required by UK Government. UK Government has given assurances that the Investment Strategy will be able to be amended as needed following approval.
1.15	There are opportunities for delivery of activities under the People and Skills and Supporting Local Business themes to take place on a regional and sub-regional rather than local footprint. This helps to secure economy of scale and has worked successfully to-date. There are fewer opportunities for this within the Places and Communities theme. It is proposed that, wherever shared priorities and opportunities for efficiency exist, regional development and delivery should be used. The Council will still be able to deliver locally-specific activities where this is identified as more appropriate. Organisations seeking to deliver regional projects will, at a future stage of programme development later in 2022, be required to demonstrate how their project will deliver measurable benefits to each county in order to receive funding.

1.16	Further discussions with strategic stakeholders will determine the approach to be taken to the Multiply element of the programme and how it should be reflected in the Investment Strategy.
1.17	Delivery of the programme will need to comply with Council Contract Procedure Rules. There are expected to be three main methods for delivering the programme: 1) Direct delivery by Council teams using programme funding 2) Procured activity 3) Funding given to third parties through open and competitive calls for proposals It is anticipated that, due to the constraints imposed by the timetable for the programme, the majority of expenditure for the 2022/2023 financial year will be through the first method. The third method, open calls for proposals, will be established for the appropriate priorities and will operate in the second half of 2022/2023 so that approved projects are ready to start by 1 April 2023.
1.18	The Council will work with regional and local partners to ensure that the Investment Strategy is delivered to UK Government by the 1 August 2022 deadline.

2.00	**RESOURCE IMPLICATIONS**
2.01	Four percent of the value of the programme can be drawn down by the regional lead body for programme governance, administration and monitoring and evaluation. Funds can be allocated from this sum to each local authority to cover programme management costs so the programme should not present an additional burden to Council finances.
2.02	UK Government does not require local government to provide match funding for the programme, although it is encouraged. The Council may, in order to maximise the availability of limited funding or to comply with subsidy control legislation, require organisations applying for funding from the programme to provide an element of match funding.
2.03	Managing and delivering the programme will require the Council to recruit temporary staff which may create the risk of redundancy cost liabilities at programme closure in 2025/26.

3.00	**IMPACT ASSESSMENT AND RISK MANAGEMENT**
3.01	**Ways of Working (Sustainable Development) Principles Impact**

Long-term	The Council will prioritise projects that can demonstrate an impact beyond the two and a half year duration of the programme.

Prevention	The Council will prioritise projects that can demonstrate that they address underlying issues rather than merely tackling their symptoms.
Integration Collaboration Involvement	The Council has already held some consultation on the priorities for the programme. The Council will, under appropriate priorities, establish open calls for proposals so that a wide range of organisations can contribute to the delivery of the priorities. The Council will use the existing multi-sector Economic Recovery Group to provide oversight of the programme and link it to wider programmes and initiatives. The Council will prioritise projects that can demonstrate that they are integrated into wider local partnerships and programmes rather than established solely for the purpose of securing funding from this programme.

Well-being Goals Impact

Prosperous Wales	The Council will prioritise projects that can demonstrate that they address the Well Being Goals.
Resilient Wales	
Healthier Wales	
More equal Wales	
Cohesive Wales	
Vibrant Wales	
Globally responsible Wales	

Risk management

Risk	Mitigation
Recruitment The programme will require the Council to recruit a number of staff to manage and deliver the programme. Recruitment will be urgent due to the constrained timescale of the programme and the Council will be competing with every other Council in the UK for applicants.	This will be a strategic risk for the programme and for the majority of projects within it. There is no immediate mitigation possible but close monitoring will help the Council to take corrective action where it can.
Expectations The programme offers a relatively small resource compared to the breadth of the priorities it can deliver against. There is a risk that organisations whose priorities and	The Council will need to be clear from the earliest stages on the approach it will take to setting the priorities for the programme and on its delivery strategy including

projects are not prioritised will criticise the Council.	how it will invite and select proposals from third parties. Transparent criteria for this will be used wherever possible and approval for these will be sought from Cabinet following review by the Environment and Economy overview and Scrutiny Committee.
Multiply The scale of the programme appears to be disproportionate to the unmet need in our communities and there is existing provision in place to meet these needs.	Further discussion at the strategic level on the approach needed to deliver Multiply and to seek greater flexibility to allow resources to be used more widely.

4.00	**CONSULTATIONS REQUIRED/CARRIED OUT**
4.01	The Council has held three workshops with internal and external partners; one for each theme of the programme. The Council will also consult on the draft priorities as they are ready to be submitted regionally.

5.00	**APPENDICES**
5.01	None.

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	None.

7.00	**CONTACT OFFICER DETAILS**
7.01	**Contact Officer:** Niall Waller (Enterprise and Regeneration Manager) **Telephone:** 01352 702137 **E-mail:** niall.waller@flintshire.gov.uk

8.00	**GLOSSARY OF TERMS**
	Match funding – money provided by a project applicant towards the costs of delivering their project.

	Multiply – a mandatory element of the Shared Prosperity Fund programme to tackle adult numeracy. Shared Prosperity Fund – a funding programme from UK Government operating over the 2022-2025 financial years "to build pride in place and increase life chances".

ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY

Date of Meeting	Tuesday, 5th July 2022
Report Subject	Welsh Government's consultation on proposals for new bus legislation
Cabinet Member	Deputy Leader & Cabinet Member for Streetscene & Regional Transport Strategy
Report Author	Chief Officer (Streetscene and Transportation)
Type of Report	Strategic

EXECUTIVE SUMMARY

Welsh Government is seeking views on the proposal to introduce new legislation to fundamentally change the way bus services are planned and operated in Wales, and has launched a 12-week public consultation on how the new bus system will be designed, which closes on 24th June 2022.

In Flintshire, we have sought an extension to the consultation to ensure that the new administration and newly elected members are afforded the opportunity to learn about the proposals and provide a response. Accordingly, Welsh Government have agreed to a small window beyond the consultation deadline, which will ensure that Flintshire members are given the opportunity to respond to the proposals.

The legislative proposals seek to essentially change the way that bus services are governed, coordinated and operated in Wales. Welsh Government is intent on achieving a bus system that boosts social equity and is capable of delivering the scale of modal shift required by the climate emergency, which is governed and designed to serve the public interest, with the widest possible geographic coverage, fully integrated connections between different services, the highest possible service frequencies, and simple unified easy-to-use ticketing and information under the banner: 'One Network, One Timetable, One Ticket: planning buses as a public service for Wales.'

The purpose of this report is to advise the Environment & Economy Overview & Scrutiny Committee on the proposals for new bus legislation and highlight some of the benefits and risks.

RECOMMENDATIONS

1	That the Scrutiny Committee welcome the proposals to introduce new legislation for bus services in Wales, but notes some of the risks and challenges highlighted in this report.
2	That the Scrutiny Committee supports the proposed response put forward by Flintshire to the White Paper Consultation.

REPORT DETAILS

1.00	EXPLAINING THE BACKGROUND FOR THE PROPOSALS TO INTRODUCE NEW LEGISLATION FOR BUS SERVICES IN WALES
1.01	Welsh Government is seeking views on the proposal to introduce new legislation to fundamentally change the way bus services are governed, planned, coordinated and operated in Wales, and has launched a 12-week public consultation on how the new bus system will be designed, which closes on 24th June 2022 (see **Appendix 1** – Consultation document). In Flintshire, we have sought an extension to the consultation to ensure that the new administration and newly elected members are afforded the opportunity to learn about the proposals and provide a response. Accordingly, Welsh Government have agreed to a small window beyond the consultation deadline, which will ensure that Flintshire members are given the opportunity to respond to the proposals.
1.02	Welsh Government is intent on achieving a bus system that boosts social equity and is capable of delivering the scale of modal shift required by the climate emergency, which is governed and designed to serve the public interest, with the widest possible geographic coverage, fully integrated connections between different services, the highest possible service frequencies, and simple unified easy-to-use ticketing and information under the banner: 'One Network, One Timetable, One Ticket: planning buses as a public service for Wales.' https://gov.wales/one-network-one-timetable-one-ticket-planning-buses-public-service-wales
1.03	Current legislation under the Transport Acts 1985 and 2000 places a duty on us as a local authority to plan and administer bus services that cannot be run for profit by commercial bus operators, keep the bus network under review and intervene where appropriate. There is no statutory duty upon the Council to provide local bus services or any other form of public transport, but there is local discretion as to the level of subsidised services provided and this must be achieved within the funding available. Subsidised bus services are provided under contract to us by various bus operators. The local authority does not run services, own the buses or employ the drivers and this falls under the private bus company's remit. Services therefore must be sustainable, benefit as many people as possible and offer reasonable value for money for the public purse, when the cost of providing them is equated with patronage they actually receive.
1.04	In May 2015, Cabinet approval was given for a review of the county's subsidised bus services as part of the business planning proposals over a three-year period between 2015 and 2018. Under the proposals, it was agreed that only a core network of bus routes would be supported in the county, which would be largely made up of commercial bus services with minimal financial support, to ensure that essential regular connections were retained to key hubs along the routes. Commercially operated routes might also operate in the county, but these would not be within the control of the council and may not receive any direct subsidy. Workshops were subsequently held with elected members and town and community councils to identify the core bus network and determine the minimum standard required for the core network in terms of days/hours of operation and the frequency of services.

1.05	In line with the portfolio business planning proposals at the time, the subsidies provided by the Council were reduced, with the final phase of reductions delivered in 2017/18. During the period leading up to the changes, the situation was complicated by the failure of a large, local public transport provider in July 2016 when the level of subsidy increased as the routes provided by the supplier were supported by the Council in the immediate aftermath of the service failure.
1.06	The core bus network structure in place currently is characterised by a number of key destinations across the County (hubs), such as main towns or public transport interchanges/railway stations with direct, high frequency bus services operating between the hubs. The core network predominantly consists of commercial bus services; however, some support has continued to be provided to ensure that connections are maintained and that regular, high quality services continue to link the key hubs along the network. The current level of revenue support provided by Flintshire for the core bus network is £513k with additional support provided through the Bus Service Support Grant (BSSG) by Welsh Government, which stands at £558k. **Appendix 2** details the core bus network and **Appendix 3** shows a list of all the supported bus routes as part of this core bus network and details how this network is currently funded.
1.07	Deregulation of the bus service industry since the 1980s meant that road service licensing was abolished and allowed for the introduction of competition on local bus services. To operate a bus service, all an accredited operator was required to do was provide 56 days' notice to the Traffic Commissioner of their intention to commence, cease or alter operation on a route.

It has been widely recognised that deregulation has had several consequences in that the link between transport authorities and bus operators was removed and local authorities lost the power to control bus services or provide incentives to operators to improve services. In effect, local authorities lost control of the routes, the frequency of services and the setting and collection of fares, which meant that the opportunity to integrate and coordinate services was also removed.

Over the years, the impact of deregulation has been felt most heavily in the more rural areas, where competition is poor, demand for travel by public transport is lower and the cost for subsidised services is higher. For those people without access to a car, or those with special access requirements, the lack of public transport is a major barrier to accessibility. In north Wales, commercial bus services have tended to be concentrated in the more urban, populated coastal strip, which is dominated by one or two private companies. |
| 1.08 | In addition to this, the COVID-19 pandemic has exposed serious issues around the resilience of the bus services network in Wales and the vulnerability of the bus industry from reduction in patronage and fare-box revenue. Despite bus services being an essential part of the public transport network in Wales, they are in decline with passenger numbers falling steadily for many years on most routes in Wales. This decline reflects a similar picture across the UK as a whole. |
| 1.09 | As Wales recovers from the pandemic, there is an opportunity to legislate for the much-needed reform of the planning and delivery of bus services, and to enable an increase in bus services in a way which achieves a range of policy objectives. |

	The draft Regulatory Impact Assessment (see **Appendix 4**) published alongside the consultation document sets out key success factors for a better bus system, including: • area-wide networks with all significant local destinations reachable • one ticket system • easy to understand network • one brand • easy and reliable transfer • reliable travel times • accessible and comfortable • public feedback and customer care • passenger safety, security and health • network efficiency and financial affordability Welsh Government intends to encourage people to make the change to more sustainable transport by making it more attractive to all parts of society (One Network), adopting innovations that make it easier to use (One Timetable) and making it more affordable (One Ticket).	
1.10	Welsh Government is intending to introduce Primary Legislation that enables the regulation of bus services in Wales and proposes the following measures: - • Local authorities will work with Transport for Wales (TfW) to develop area wide network plans with all significant local destinations reachable • Corporate Joint Committees (CJCs) will discuss and agree the network plans to ensure regional connectivity. • Regional network plans will be submitted to a national group including all four CJCs, Welsh Ministers, Transport for Wales and operator, passenger and employee representatives to ensure national join-up and effective interchange with other transport modes, including rail and active travel routes. • Franchising of bus services across Wales: powers for franchising would sit with Welsh Ministers in order for TfW to procure and manage franchise contracts for those plans, in close cooperation with local authorities. • Lifting the ban on setting up new municipal bus companies (either as a totally new entity or the acquisition of an existing bus company with services run independently at arms-length or as an in-house department e.g. Teckal) and removing restrictions on existing municipal bus companies to enable parity ("No Advantage") under a franchised system, to include co-ownership, acquisition, and raising funds commercially. • The need for transitionary regulations. • Introducing a mechanism for an "Operator of Last Resort" for situations where a franchise operator might fail commercially • A specific legislative duty to consider the impacts on SMEs when franchising.	
1.11	There is general agreement amongst local authorities that improvements can be made to the way bus services are currently managed and controlled in Wales. There is also complete consensus that radical action is needed to address the challenge of climate change and reduce emissions.	

1.12	Whilst the ambition of the White Paper is highly commendable, there is significant concern about how the changes are going to be made in practice and whether the level of funding required to realise the ambition is going to be achievable. To be effective and improve services across Wales, the franchising model proposed will require a substantial increase in the amount of funding dedicated to bus services. It is important that any such increase in investment is used as effectively as possible to ensure it makes a significant contribution to efforts to tackle the climate change emergency.
1.13	The White Paper outlines that, in order to ensure that public funding is used efficiently, various strategic objectives would have to be achieved. One of them is: "multi-year sustainable funding allocations for bus services and bus infrastructure that enable long-range strategic planning and investment, optimal use of available monies and development of sustained improvement packages targeted to grow patronage."
1.14	<u>Considerations / Implications & Risks</u> a) Undoubtedly, a significant increase in funding will be required for a franchising model and, as plans are developed, this will need to be costed and assessed for affordability. The additional costs of a franchise model have been estimated to be around £61m per year with no guarantees that improvements in bus services will be delivered any more quickly than through local authorities and operators working in partnership to improve services. b) Local authorities contribute significant amounts of funding from a variety of sources to bus services already. However, these contributions vary significantly across Wales and it is not a level playing field. The local authorities that contribute the highest amounts currently have concerns about the impact locally of effectively pooling resources with regional partners that have either provided lower amounts of funding or none at all. Similarly, councils in areas with strong commercial networks at present are wary that franchising could see a redistribution of resources to improve services in areas poorly served at the moment. However, equally, if improvements in some areas have to be funded by a redistribution of resources, as opposed to from additional funding, that could mean some local residents seeing a reduction in services. c) Local authority bus service budgets are currently discretionary and un-hypothecated, and there is there is no statutory duty upon the Council to provide local bus services or any other form of public transport. Although it has not been raised yet, there is concern that local authorities may be mandated to provide or increase funding for local bus services. Funding in place at present is complex and comes from numerous sources, and is not limited to Welsh Government e.g. cross-boundary and cross-border services receive subsidies from neighbouring local authorities. d) Concerns have been raised around the local input to service design. Welsh Government believes that the best way to achieve the kind of national level coordination and network design needed to maximise the public good across Wales is to bring regional leads together through the CJCs with Welsh Government and expert input at a national supervisory board which can offer a guiding mind, bringing all levels of the bus system together to achieve that objective. It is important to note that the proposals will allow Welsh Ministers to change the entire Supervisory Board and decide on a reallocation of funding between regions without any local input.

e) CJCs will be required to develop regional transport plans and ensure a coordinated approach across the region for bus and rail services, and situations should be avoided, in so far as possible, where bus and rail are competing for the same passengers. CJCs also have a statutory responsibility to produce Strategic Development Plans. These need to be developed in harmony with transport plans, ensuring that land use plans correspond with transport plans.

f) WG is proposing to centralise the letting and management of contracts for the franchise through Transport for Wales (TfW) at a national level. All councils have raised significant concerns around this proposal and feel that the current knowledge and experience sits within local authorities. There are also TUPE issues to consider. Clearly, TfW will have a role to play, but there is also concern that this would create significant issues for councils as the officers who manage contracts are generally also involved in other transport functions, including home to school transport. Other questions around compliance monitoring, H&S, and safeguarding have yet to be addressed.

g) No mention has been given to the maintenance and management of bus stop or bus station infrastructure in the proposals and whether this responsibility would be retained by local authorities. Funding for maintenance is currently very limited and has been significantly reduced at a local authority level over the years, which has meant that it tends to involve reactive repairs only. Any improvements to infrastructure would need to be accurately costed and funded with consideration given to ongoing maintenance revenue funding.

h) Concerns have been raised around potential distortion of the market and competition through franchising, particularly where one large commercial operator currently dominates. The impact on SMEs of new arrangements certainly needs to be a major consideration. This is of particular importance for rural areas where these SMEs are often an important source of local employment and provide other local transport services (e.g. home to school transport, rail replacement). If SMEs fail to win franchises in competition with larger operators it is likely to put their future at serious risk – with a range of potential unintended consequences locally.

i) Home to school transport plays an integral part of the local bus network and is often used to cross-subsidise public transport services (and vice versa), as it is often more cost effective i.e. cheaper to purchase seats on public transport services than provide a dedicated school transport contract. Under the franchising model, local authorities would lose the flexibility to do this, resulting in missed opportunities and higher overall costs.

j) Flintshire's location as a border authority with England – it is still unclear how cross border services will be impacted and whether the franchise would extend beyond the border e.g. Service 5 to Ellesmere Port. Consideration also need to be given to the fact that the costs for subsidising cross-border services are shared with neighbouring cross-border local authorities.

k) Potential impact on community transport providers, which operate under Section 19 and Section 22 of the Transport Act 1985 as "not-for-profit" transport and allow the provider to operate transport services for hire or reward without the need for a full public service vehicle operator's (PSV 'O') licence. Welsh Government have already indicated that they are unlikely to include provisions for these regulations, as they are unlikely to fall within the competence of the Senedd. However, up to 10% of the Bus Service Support Grant, which equates to £615k in north Wales, is currently used to

	fund these essential community transport services. There has been no indication whether this funding will continue to be provided in the future under the new regime.

2.00	RESOURCE IMPLICATIONS
2.01	Staff resources may be impacted if specific duties transfer to the proposed CJCs and/or TfW; however, without full details, the full impact of this cannot be evaluated at this stage.
2.02	The revenue support funding provided by Flintshire for the local bus core network could be impacted in the future, but again, without further details, the full impact of this cannot be assessed at this stage. Similarly, the impact on school transport services and budgets is not known, but there may be unintended risks and consequences attached to the proposals as a result of the franchising model.
2.03	The proposals around allowing local authorities to create new municipal bus companies would require significant funding and investment, and carries with it its own operational and strategic risks.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	A Regulatory Impact Assessment has been produced by Welsh Government, which is shown in **Appendix 4.**
3.02	An Integrated Impact Assessment has also been completed.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	Cabinet Member for Streetscene & Transportation

5.00	APPENDICES
5.01	**Appendix 1** – Consultation document
5.02	**Appendix 2** – Flintshire's core bus network
5.03	**Appendix 3** - List of current supported bus routes and funding
5.04	**Appendix 4** – Welsh Government's Regulatory Impact Assessment

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	One network, one timetable, one ticket: planning buses as a public service for Wales: https://gov.wales/one-network-one-timetable-one-ticket-planning-buses-public-service-wales

7.00	**CONTACT OFFICER DETAILS**
7.01	**Contact Officer:** Katie Wilby, Chief Officer, Streetscene & Transportation **Telephone:** 01352 704530 **E-mail:** katie.wilby@flintshire.gov.uk

8.00	**GLOSSARY OF TERMS**
8.01	**CJCs = Corporate Joint Committees.** The power to pass regulations creating CJCs was included in the Local Government and Elections (Wales) Bill that was passed in the Senedd in 2020. There will be four CJCs corresponding to the growth deal areas within Wales with the initial membership comprising of all the Leaders of Councils within the area covered. The CJCs will exercise functions which WG believe are best exercised regionally. At present the proposal is for them to undertake functions within economic development, transport and strategic planning.

One network, one timetable, one ticket: planning buses as a public service for Wales

We are seeking your views on proposals for new bus legislation.

First published: 31 March 2022

Last updated: 31 March 2022

Contents

Ministerial foreword

Lee Waters MS, Deputy Minister for Climate Change:

" Buses are the backbone of our public transport service. They carry three times as many passengers as trains, getting people across Wales to work and school, allowing us to meet family and friends, and offering a key lifeline for the quarter of people in Wales who do not have access to a car.

" Governments have long recognised the importance of this public service, even before the COVID-19 pandemic we invested well over £100 million

every year in bus services. However, the legacy of privatisation still prevents us from planning buses as a public service and designing networks to ensure that investment gets people where they need to go.

" That isn't good enough.

" The scientific advice on Climate Change is as clear as it is stark. We have to make urgent changes to the way we live and take meaningful action to avoid catastrophic damage to our climate.

" Transport accounts for nearly a fifth of our carbon emissions, yet we cannot currently plan bus networks to break our reliance on private cars and make sure people can access services reliably and sustainably. This is a key barrier to delivering a just transition to net zero.

" This white paper sets out our plan to fundamentally change the way bus services are planned in Wales – allowing all levels of government in Wales to work together to design the bus networks our communities need.

" I would like to thank both local government colleagues and industry partners for their work with us to help develop these proposals and look forward to continuing to work closely together to build the bus system Wales needs.

" This consultation marks the start of a process by which we can significantly improve bus services in Wales and take meaningful strides towards delivering a transport system which helps rather than hinders our journey to Net Zero.

" I look forward to receiving comments and views on these proposals. This is a generational opportunity to make a change and implement a bus system which works for Wales. We want to work with partners to do it as effectively and fairly as we possibly can.

" Your feedback and continued engagement as we finalise the legislation proposed in the white paper can help us get there. "

Vision

The climate emergency demands urgent action. We need a decade of action which goes further over the next 10 years than we have in the last 30. The scale and immediacy of this challenge is laid out in our overarching plan to tackle it: **Net Zero Wales Carbon Budget 2**

For climate damaging emissions, transport has been the worst-performing sector of the economy. We need to change the way we travel. Even if we electrify vehicles at the fastest feasible rate, we will break our carbon budget unless we reduce the number of cars on our roads and instead use public transport more and make more local trips by walking or cycling.

To achieve this change we need a transport system that works for everyone and offers a real alternative to relying on a car. This is essential to ensure there are affordable transport options for everyone to get where they need to go, as well as to meet our climate targets. At an average of £44,000 (**average cost of an electric car 2021**), an electric car is beyond the means of many families. Furthermore, approximately 13% of households in Wales do not have a car (**The National Survey for Wales**), and 25% of bus users are disabled or have a long-term illness (analysis undertaken by Transport for Wales, 2019). This highlights the crucial social and economic role buses currently play and could play in the future – they are a key lifeline for people across Wales to access services, get to work, and meet family and friends.

The Welsh Government is intent on achieving a bus system that boosts social equity and is capable of delivering the scale of modal shift required by the climate emergency.

This white paper is about creating a bus system dedicated to providing the best possible service to the public. That means a bus system which is governed and designed to serve the public interest, with the widest possible geographic coverage, fully integrated connections between different services, the highest possible service frequencies, and simple unified easy-to-use ticketing and information – expressed simply: 'One Network, One Timetable, One Ticket'.

Climate change requires us to think beyond the immediate, this vision needs to govern how we deliver transport services over the next 30 years. The current deregulated bus system is directed by market forces rather than public need, and has shown itself incapable of delivering the scale or pace of change we need. This white paper is about putting in place a governance system for buses that will give us the power to achieve this vision of affordable comprehensive public transport services that work in a joined-up way to carry us on our journey to net zero.

What are the aims and objectives?

The vision set out above requires a transformation in how buses in Wales are governed to achieve the following over-arching aims:

- a bus system that is purposely designed to maximise the public good
- a bus system that efficiently uses public investment to strategically address public priorities for bus improvements, thereby justifying greater public investment
- a bus system, which forms part of an integrated transport network that provides an excellent travel option, wherever people need it, whenever people need it, throughout Wales.

Legislation alone cannot achieve these aims, nor, on their own, can traditional scheduled bus routes: a much-enhanced scheduled network must provide the basis for linked flexible services that extend the reach of buses to cover many more times and places. Implementing the legislation, and introducing franchise contracts over different areas, will take time and will probably require iterative improvements to reach the ambitious level of service we are aiming to develop. We will need to continue making the case for further investment in bus services to deliver the extent and regularity of services they require. We will also need to continue work on demand-responsive travel options, such as the Fflecsi service being piloted by Transport for Wales, to offer reliable, sustainable, affordable travel options in places and times when scheduled bus services are not available. However, this sets out where we're aiming to get to, and the path our legislative proposals set us on.

The term demand-responsive transport encompasses various forms of service, from buses to minibuses and taxis, that are provided to be flexible about times and/or destinations and enable people to request travel to places and at times beyond the reach of scheduled bus services. Further information on the Fflecsi service is available on **Fflecsi Wales**.

To provide an excellent travel option for people in the long term, we will need:

- a comprehensive network of bus routes to serve the widest feasible range of destinations, both at busy times and less busy times in the evenings and Sundays.
- coordinated timetables for bus-bus connections and bus connections with all other modes of public transport.
- simple area-wide fares, valid across all bus routes and on all modes of public transport.

These three objectives are best summarised by the title of this white paper: 'One Network, One Timetable, One Ticket'.

Further objectives for an excellent bus system include:

- bus services that run quickly and on time, with congestion-busting dedicated road space and bus priority infrastructure enabling buses to offer a time-competitive alternative to private car use.
- a stable bus network from one year to the next, that people come to know and trust.
- easy-to-find comprehensive information and a unified high visibility brand.
- affordable fares that represent good value in comparison to driving.
- passenger-friendly drivers, trained and supported to be front-line ambassadors providing a day-to-day public face for the bus service that helps attract users.
- good quality waiting facilities and vehicles, with a rapid transition to zero emissions vehicles.
- all parts of the bus operating sector delivering according to their particular strengths, including SMEs (Small and Medium-sized Enterprise), municipally owned companies and corporate players, and for demand-responsive services, taxi providers and community-based operators.

The aim to achieve efficient use of public investment requires the following strategic objectives to be achieved:

- ability to develop, plan and implement bus routes and networks
- effective public control over the way in which public money invested in the bus system is spent, including control over how ticket revenue is reinvested (ticket revenue is often referred to as 'farebox revenue' and is the money/revenue taken from passengers to use services).
- ability to implement policies for affordable and concessionary bus travel without difficulty or undue expense due to prolonged negotiation or complex systems for operator reimbursement.
- a healthy market for competition for franchise contracts.
- ability to apply public monies in ways that effectively complement and lever in investment from the private sector.
- all road passenger transport funded and governed together to maximise synergies, minimise wasteful duplication and optimise demand-responsive infill to the network of scheduled bus services.
- ability to closely integrate expenditure on bus improvements and fare reductions with actions to reduce car reliance, to form a strategic transport policy for mode shift.
- integration of bus system investment with land use planning and economic and development investment, so that new development is focused in locations with strong bus services and so new developments themselves are designed to facilitate the flow of bus services through the development.
- multi-year sustainable funding allocations for bus services and bus infrastructure that enable long-range strategic planning and investment, optimal use of available monies and development of sustained improvement packages targeted to grow patronage.

Outline legislative proposals

The Welsh Government believes that the legislative proposals contained in this paper are necessary to help achieve the aims, objectives and ambitions set out above. This paper will set out each proposal and describe its potential to support the changes we are seeking.

We should be clear that this is the start, not the end, of the journey. Legislation will create new and better powers for all levels of government in Wales to co-design the bus network Wales needs, and unblock local authorities from setting up and effectively running their own bus companies. However, it will take time to achieve. We will need to work with a healthy market, competing for contracts instead of competing for passengers at bus stops, both to get effective franchised networks up and running and to make the case for further investment to expand those networks and reach the extent and quality of service we want to see.

Our legislative proposals include:

- requiring the franchising of bus services across Wales
- allowing local authorities to create new municipal bus companies
- relaxing restrictions on existing municipal bus companies to put them on the same footing as new ones

Context and background

Much of the data used within this white paper comes from before the COVID-19 pandemic (mainly 2019/2020). This gives us a better picture of what was happening when passengers were making transport choices without having pandemic restrictions at the forefront of their decisions. We also recognise that as we move out of the pandemic passenger choices will have changed. For example, the COVID-19 pandemic has caused a step-change in working from home where possible, moving us closer to the Welsh Government's long-term ambition to see around 30% of Welsh workers working from home or near home (**Aim for 30% of the Welsh workforce to work remotely**) – giving more people the choice to work in a way that helps their productivity as well as their work-life balance, and with the potential to drive regeneration and economic activity in communities. It seems likely that there will be long-term changes to patterns of bus use as a result, but it is as yet unclear what form these changes will take. However, the proposals in this white paper are fundamentally about ensuring we can design bus networks as a public service, getting people wherever they need to go even if travel patterns change in emphasis between local high streets, city

centres and other destinations.

Wales, prior to the COVID-19 pandemic, had 1539 registered bus routes (The National Survey for Wales as of 31 March 2018), serviced by 2378 locally operated vehicles, driving 88.8 million in service kilometres each year. These local bus journeys account for three out of four journeys made by public transport in Wales each year. Bus services in Wales provide important access to essential services, education, leisure and tourism, and provide important links for communities.

Looking at the most recent patronage, where the COVID-19 pandemic has had a big impact, bus user numbers have reduced by around 90% over the past 2 years, severely reducing the income from fares. However, the Welsh Government has enabled bus operators to continue providing some services through its Bus Hardship Fund (BHF) and the Bus Emergency Scheme (BES).

The COVID-19 pandemic exposed serious issues around the resilience of the bus services network in Wales and the vulnerability of the bus industry from reduction in patronage and fare-box revenues. As Wales recovers there is an opportunity to legislate for the much-needed reform of the planning and delivery of bus services, and to enable an increase in bus services in a way which achieves a range of policy objectives.

Despite bus services being an essential part of the public transport network in Wales, they are in decline with passenger numbers falling steadily for many years on most routes in Wales. This decline reflects a similar picture across the UK as a whole.

Distance travelled on local bus services, 2009-10 to 2019-20
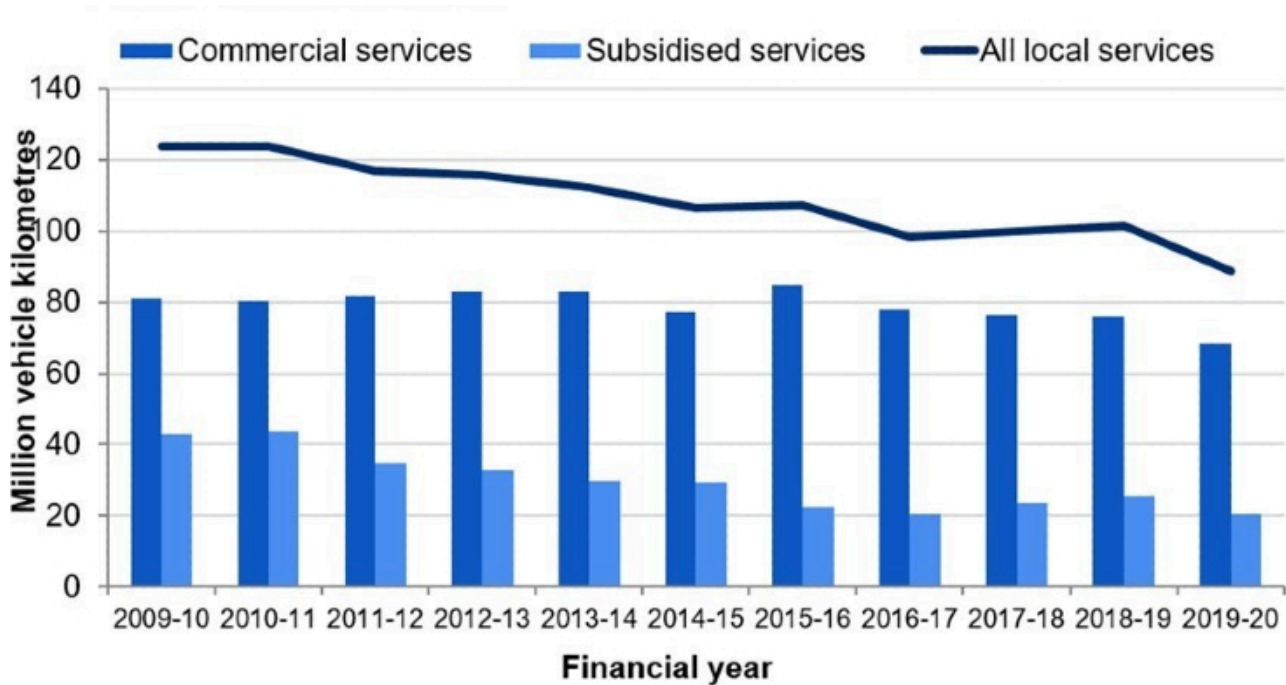
Source: Welsh Government analysis of Department for Transport 'Public Service Vehicle survey'.

There has also been a decline of routes offered and number of vehicles on the road, (a decrease of 71 vehicles from 2017, **Public service vehicles (buses and taxis): April 2019 to March 2020**). Falling passenger numbers puts pressure on fare paying passengers and the public purse to sustain a network that, despite significant investment from private and public sources, continues to decline. This in turn exacerbates the pressure on local authorities as they identify and subsidise socially necessary services for local communities.

Although the decline must be noted, this is not to say that buses are no longer wanted. Far from it. Bus remains as the most popular choice for public transport, and accounts for about 90 million passenger journeys each year (2019 to 2020) compared with approximately 30 million annual rail journeys. So instead of focusing on the decline we really need to switch our thinking to how we can improve services in Wales and better meet the demands of Welsh citizens. This will also help us towards our ambitious modal shift targets and creating a truly

integrated transport system that is fit for purpose, encourages more people to use it and thus makes a positive impact to Climate Change.

We also need to develop a system which works both for rural and urban areas and across Wales. Cities and larger towns currently have much more frequent services, though often far from what is required to provide the necessary alternatives to private car use. There is a need for better integration between local bus services and services such as educational transport (also known as learner travel), social care, community, health and demand responsive services. This would deliver a more comprehensive bus service for local communities, especially those in rural areas.

To create a fit-for-purpose system we need to look at the existing system and the elements that may need to be changed. The UK de-regulated its bus services, in all areas outside of London and Northern Ireland, as part of the Transport Act 1985. Since de-regulation there has been wide recognition (as highlighted by an extract from the Department for Transport's bus strategy, 'Bus Back Better', below) that the de-regulated system does not work, leading to many incremental steps to enable partial re-regulation in the form of market exemptions for coordinated fares and various partnership provisions. The current de-regulated system in Wales has created fragmented services and a lack of comprehensive collaboration amongst operators with regard to timetables, route maps, or ticketing, which paints a confusing picture for the public and does little to attract new customers to travel by bus.

The draft Regulatory Impact Assessment published alongside this white paper summarises the challenges facing the current system as follows:

- there is a fragmentation of responsibilities for bus between multiple operators and local authorities with an associated difficulty of alignment in respect of common goals and policy-based outcomes
- currently local authorities' ability to manage bus networks is partial, so bus public transport systems are not subject to transport planning as would typically be the case for, for example, road network improvement
- bus service lines are typically operated as a set of discrete services with limited co-ordination with other services – as no single organisation has the appropriate capability and directive powers to manage this co-ordination

- even before the COVID-19 pandemic, Welsh Government funding accounted for over half of bus operating costs in Wales, but is largely directed to operators without linkage to any long-term improvement strategies; and
- although multiple operator tickets are feasible to implement under the current arrangements, operators would continue to provide their own tickets, which ultimately fails to provide customers with the simplicity of a single ticketing product. Furthermore, any significant market penetration by a multi-operator ticket will also bring a need for a complex revenue redistribution system to different services and operators, that would likely need continual re-negotiation in response to changes to road conditions, land use, service frequencies etc.

The latest bus strategy from the **Department for Transport: Bus Back Better (p.20)** notes the following example of some barriers to delivering better bus services

Limited cooperation

In a busy seaside resort, there are two sizeable rival bus networks that don't acknowledge each other's existence:

- they publish separate city maps, showing only their own services, giving potential users including visitors the impression that some areas of the city are completely unserved
- they use the same route numbers for entirely different routes
- on the busiest routes, served by both operators, there can be overcapacity at certain times of the day.

There is a multi-operator ticket, but it is more expensive and hard to find out about.

On numerous routes across the country, evening and daytime services are operated by different bus companies, many of which do not acknowledge each other's existence or even accept each other's tickets. Some operator timetables don't display each other's services, which gives the impression there are no services at different times of the day.

The market system works to maximise short term commercial profits and fails to maximise benefits for passengers or to maximise broader social, economic and environmental benefits that are a priority for public authorities and government. Bus use in London, where de-regulation did not occur, held up substantially better than the rest of the UK, even prior to substantial investment to improve bus services after the turn of the century. Some of the differences are set out below. Fully regulated governance of all modes of public transport in northern European countries such as Germany, Austria and Switzerland, delivers two to four times the number of public transport journeys per capita per year than areas of the UK with comparable population density.

London bus franchising

London

- London was not subject to the same deregulation of the bus network by the Transport Act 1985. Buses in London are governed by the Greater London Authority Act 1999 (chapter four (Public passenger transport) (sections 173-178) of the Greater London Authority Act 1999 sets out how public passenger transport services are provided for in London).
- In London, Transport for London (TfL) specifies what bus services are to be provided. TfL decides the routes, timetables and fares. The services themselves are operated under contract by private companies through a competitive tendering process.
- TfL is accountable to the Mayor of London
- Since 1986:
  ◦ patronage in London has doubled (up 99%)
  ◦ mileage has increased by 75%
  ◦ fare increases have been lower than the city regions (**A briefing by PTEG (now the Urban Transport Group) on "Bus Franchising"**)

Rest of the UK

- The Transport Act 1985 –introduced deregulation of bus services throughout Great Britain. Deregulation of the busses has led to a free market - anyone (subject to minimum safety and operating standards) can operate bus services. Public transport remains under direct control in Northern Ireland
- bus operators are free to run services they want to set the fares they want and choose the vehicles they will use
- uncoordinated network
- array of ticketing options
- the five large companies that, across most of the country, have each achieved local dominance (Arriva, First, Go-Ahead, National Express and Stagecoach), rarely compete head-to-head with each other.
- operators focus on the most profitable journeys
- local authorities have to pay operators to run journeys and routes that are socially necessary without full knowledge of route profitabilies and without the ability to maximise synergies across commercial and subsidised services
- patronage nationwide has been in long-term decline, bar some local exceptions.

Public support given in both revenue (concessionary reimbursement, bus service operator grants and support for socially necessary services) as well as capital measures, such as bus lanes, interchanges, infrastructure and in some cases, fleet.

Public funding for bus services in Wales, even prior to the COVID-19 pandemic, has been considerable, including over £100 million of direct support each year through the Bus Services Support Grant, concessionary fare reimbursement and locally tendered services. This rises to over £220 million each year for the wider system (including some taxi and community transport) when you factor in additional publicly supported transport services. This covers non-emergency health transport, school transport, the TrawsCymru bus service, bus grants and reimbursement for the Mandatory Concessionary Fares scheme. As noted above, this is based on estimates prior to the COVID-19 pandemic, where significant additional funding has been needed to compensate the industry for

the loss of passenger revenue.

Current legislation, subject to the Welsh Ministers commencing the relevant legislative provisions, would allow local authorities in Wales to enter into Quality Contracts Schemes (QCSs) (sections 124 to 134B of the Transport Act 2000). These are a form of franchising which enable local authorities to dictate what bus services are provided in an area and let contracts for the provision of those services.

However, the current QCS process is overly complex and resource intensive. Only one QCS has been attempted in England (Nexus Tyne and Wear) and none in Wales. This scheme failed to obtain approval from the relevant QCS board led by the Traffic Commissioner. The process was costly, taking around two years. History has shown that these provisions are insufficient to deliver the scale of change we need to see in the design and planning of our public transport systems, and that legislative change is needed to deliver the quality-of-service people need, at the pace the climate emergency demands.

The following summarises the challenges and issues around the current provision of bus services in Wales:

A summary of the challenges and issues around the current provision of bus services in Wales

Problems associated with de-regulation:

- de-regulated industry with over 80 bus operators in Wales
- multiple operators cause a lack of co-ordination, on both a local and national level. Including, but not limited to, routes; ticketing (especially non-interoperable tickets); and integrations with rail and active travel networks. This results in a suboptimal service and is confusing and off putting for passengers
- lack of an overall guiding mind function with power to provide coordination between services and with different models such as rail
- routes fail to respond to changing passenger needs, from short / retail-based

journeys to longer journeys
- limited stability in routes and destinations over time
- lack of simplicity on journeys, bus numbering, tickets, fares, signage
- variable standards of vehicles, infrastructure, passenger information
- inconsistency of branding and lack of overall network identity
- marginal services switch between commercial and non-commercial over time, making strategic network planning difficult.

Further issues

- declining passenger numbers
- ageing workforce threatening a potential lack of skilled drivers in future
- reduction of commercial services in some areas has resulted in increased pressure on local authorities to support socially necessary services
- evening and weekend services that require additional subsidy
- need to set and deliver decarbonisation targets
- bus emissions from diesel vehicles contribute to poor air quality, with coordinated improvement of the fleet needed
- absence of real-time travel information provision in many areas
- bus services that fail to reliably arrive as timetabled due to congestion and lack of bus priority measures to get past congested traffic.

Ultimately people need bus services that get them where they need to be when they need to get there, on buses that are safe, clean, reliable, punctual and affordable. They also want the buses they travel in not to worsen local air quality and not to produce carbon emissions that worsen climate damage. We want to see Wales using ultra low emission buses as soon as practicable.

The draft Regulatory Impact Assessment published alongside this paper sets out key success factors for a better bus system, including:

- area-wide networks with all significant local destinations reachable
- one ticket system
- easy to understand network
- one brand
- easy and reliable transfer

- reliable travel times
- accessible and comfortable
- public feedback and customer care
- passenger safety, security and health
- network efficiency and financial affordability.

The proposals set out in this white paper have passengers as the focus. Bus services must be usable, attractive options to a far greater range of people than at present. This means improvements to where and when buses run; dedicated space on roads to speed them past congested traffic; and improvements to the vehicles themselves, to bus stations, to bus stops, to information and to ticketing.

Our priority is to provide the services that people want and to encourage more people to use buses. In particular, we want drivers of cars to have affordable, convenient, quick, safe and clean alternatives to driving.

Clear, high quality, and up-to-date information is essential for people to understand the services available to them. People have far greater expectations of the quality of information that should be available than even a few years ago, and consumers expect to be able to make informed choices based on easily available information.

As well as improvements to passenger information we want to see fundamental improvement to ticketing. Currently, tickets are often not transferable across operators or modes of transport, and we believe this limits the attractiveness of bus as a means of travel and must be addressed. People should be able to make journeys with just one simple ticket that gets them where they want to go, whatever combination of services they need to take to get there.

Reducing our carbon impact

The climate emergency is a global challenge requiring urgent action. Net Zero Wales Carbon Budget 2 identifies that if we are to respond to the climate emergency then this must be a decade of action in Wales, and that we need to make more progress in the next ten years than we have in the last thirty.

Transport has a significant role to play in helping Wales reach net zero and generating wider benefits across health, air quality, accessibility and the economy.

The current fragmented public transport system does not result in the best services for passengers. Enabling people to switch from private cars to lower carbon modes of travel will be important to meet our near-term carbon budgets. This will be enabled by developing an integrated, multi-modal public transport system, which results in a seamless and effortless experience for passengers.

In taking action and making changes to transport it is recognised that there must be a just transition so that we leave no-one behind, and the impacts of change are distributed fairly. If we are to live up to these objectives then being able to offer people real travel choice, and not exclude those who may not be able to afford to invest in an electric car, or cannot drive, is critical. Consequently, we will put people and climate change at the front and centre of our transport system.

There are multiple ways in which carbon impacts of transport, including buses, can be reduced:

- reduce the amount of travelling
- reduce the number of journeys made by car
- promote a habitual switch from cars to buses (and other public transport, walking and cycling)
- boost the number of people using each bus
- promote a switch to buses with zero tailpipe carbon emissions

We need to achieve modal shift through more people using public transport, walking and cycling rather than the use of private cars. Based on our current analysis, the Welsh Government has set a target of 45% of journeys to be by public transport, walking and cycling by 2040. The current modal share is estimated at 32% (These are estimates based on the English National Travel Survey, with disaggregation by rural-urban categories, weighted to match the proportion of people living in each rural-urban category in Wales). Improving bus services will be critical to encourage people to make this change.

Llwybr Newydd: the Wales Transport Strategy 2021 sets out that in 2018 transport was responsible for 17% of greenhouse gas emissions in Wales: 62% from private car use; 19% from light goods vehicles (LGVs); and 16% from bus and heavy goods vehicles (HGVs). Switching from a fleet of buses which use fossil fuels to a fleet which uses battery electric, or fuel cell electric (using green hydrogen) will contribute to reducing carbon emissions; and to reducing the emissions of pollutants which can affect local air quality, harming public health.

We will encourage people to make the change to more sustainable transport by making it more attractive to all parts of society (One Network), adopting innovations that make it easier to use (One Timetable) and making it more affordable (One Ticket).

Whilst not explicitly covered in our proposed legislation, we will need to work with the industry within the proposed regulated system to ensure the design and construction of bus depots enable the re-charging and re-fuelling of electric/ hydrogen powered buses. Depots, bus stations and bus shelters should, wherever practicable, use solar or wind power (or other renewable energy) to generate electricity for lighting, heating, electronic displays etc.

Question 1

Do you agree that change is required in how we deliver bus services to meet the needs of Wales' citizens and respond to the climate emergency? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Legislative proposals

To deliver the objectives set out at the start of this paper, we need to change the operating model for our buses in Wales. This is centred around the need to deliver a bus system which maximises the benefit to the public.

We have considered various options for change, which are set out in more detail in the Regulatory Impact Assessment, including an Enhanced Partnership model

that was introduced in England in 2017, a *no change* baseline, and the impacts of significant further change and investment beyond legislation. However, these partnership arrangements are voluntary and, after 5 years, there is only set to be a significant growth in Enhanced Partnerships as a result of a decision to remove bus funding from areas without one (Department for Transport' **Bus Back Better National Strategy** (2021) has set a deadline that from April 2022, LTAs will need to have an Enhanced Partnership in place, or be following the statutory process to decide whether to implement a franchising scheme, to access the new discretionary streams of bus funding). Crucially, such a system does not allow us, quickly and surely, to deliver a 'One Network, One Timetable, One Ticket' system across Wales that works alongside trains. We believe that to achieve the pace and certainty that the climate emergency demands of us bus networks in Wales need to be franchised. That assessment concluded that, even taking the conservative (i.e. high) cost estimate of implementing franchising at the individual local authority level, the benefits available from franchising outweigh those delivered either by partnership models or the current legislative framework. It also shows that if significant wider investment is made in the bus system, franchising continues to deliver more benefits than partnerships as an alternative.

Franchising

What we mean by franchising is that Local Government, Transport for Wales and the Welsh Government will work together to design bus networks and services which best meet people's and communities' needs within the funding available. The franchising authority specifies the services and how they will run, including routes, vehicle standards, timetables, fares, branding, passenger information and ticketing. Operators will then bid for contracts to run these services, competing in a tender process to deliver those services as efficiently and effectively as possible rather than competing for passengers at bus stops. Other operators are then unable to register routes within the franchised area. The scale at which contracts are let for services will be determined on a case by case basis from individual routes to entire local networks.

There may be a need for commercial services to be licensed in addition to that contracted network, particularly to ensure cross-border connectivity with England whilst maintaining consistency with other services in Wales. This will allow the

franchised system to support that key connectivity for many of our communities, ensuring cross-border networks receive the same level of network, timetabling and ticketing coordination in Wales whilst only specifying the standards for the Welsh portion of cross-border services so as not to impinge upon the governance of bus services in England. For operators, this would mean that cross-border routes operate similarly to the current system, but would be subject to additional standards on the Welsh side, and would require approval to ensure they complemented the rest of the network.

Whilst other models have been attempted elsewhere in the UK, and proposed previously in Wales, we have to recognise the scale of the challenge facing us. Over the last 20 years significant efforts have been made, both within our existing legislative framework and through statutory partnerships in England, to improve bus services. However, nothing has come close to delivering the scale, and certainly not the pace, of change we need to respond to the climate emergency. The analysis set out in our draft Regulatory Impact Assessment, published alongside this paper, highlights the need for some form of overall control to ensure a well-planned, easy to understand network; for a single easy to use ticketing system; and for reliable, universally branded services.

A key element of this approach is that contracting services in this way allows the public sector to control the ticket revenue, paying operators a fixed fee with opportunities to include incentives to reward high quality services and reliability, and penalties for failing to meet certain service standards. This means that choices can be made in the public interest about whether unprofitable routes are still worth running and how to reinvest income from profitable routes to support those socially necessary services.

Whilst this may limit the profit operators are able to make from some routes and networks, it also ensures they can run services with a reliable income without bearing a revenue risk in the case of patronage falling due to economic downturn or other factors. Under a franchised system, the public sector assumes that risk to enable us to deliver the best network we can with the funding available.

Beyond legislative change, a contracted model also allows us to set minimum contractual standards. This could apply both to services and to staff pay and

conditions, in line with our Economic Contract, ensuring that competition for services doesn't come at the expense of supporting and growing the bus driving profession.

This does not mean, particularly initially, that we will be able to afford to run the ideal network, and that everybody will be able to get what they want from the bus system. However, we are committed to developing as effective and reliable a bus network as we can, and we believe the proposals in this paper set the framework for us to do that. We will need, in parallel, to carry on working on the wider system including demand responsive transport to provide a reliable, affordable travel option for everyone in Wales.

Franchising will allow us to design and contract networks that get people where they want to go, it will allow us to plan reliable timetables, which are stable over time so people know when they can get a bus, and it will allow us to introduce simple multi-operator ticketing, so people don't have to navigate different operators' offers, don't need to buy multiple tickets for the same journey, and can focus on getting where they need to go. This is about creating a bus system that people can rely on to get them where they need to go.

As set out above, these key service improvements, along with others highlighted in this paper, will make services more efficient and attractive, offering a much improved service to people who rely on buses, and encouraging and supporting people to shift from private cars to public transport; a critical objective set out in the Wales Transport Strategy and Net Zero Wales to meet our climate targets.

Question 2

Do you agree that franchising is required to deliver the depth and pace of change to the bus network that is required in the context of the climate emergency? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Embedding local knowledge and accountability

Local Government is central to the bus system. We rely on local knowledge to identify the services which are critical to communities and local authorities provide key services coordinating transport to schools and for care. Sustaining local accountability for identifying and prioritising those services is a key objective for us in this process.

We also know that people don't stop at local authority borders, so we need to find a way of embedding that knowledge and accountability in a system that joins up bus services regionally and nationally, and links them into other transport options such as rail and active travel, to develop the right network for the whole of Wales

This points to a key role for Corporate Joint Committees (CJCs), mirroring their transport planning role, to form a regional view of the network and ensure inter-regional routes and communities are as well served as those within a single authority.

Established under the Local Government and Elections Act 2020, Corporate Joint Committees (CJCs) are bodies formed from the membership of principle councils, established in statue, and able to directly employ staff, hold assets and manage funding. Corporate Joint Committees are intended to enable selected functions to be delivered more effectively and strategically at a regional level, making more efficient use of valuable resources. The model is designed to offer maximum flexibility, with detail being developed through regulations co-produced with local government.

We believe the best way to achieve the kind of national level co-ordination and network design needed to maximise the public good across Wales is to bring those regional leads together with Welsh Government and expert input at a national supervisory board which can offer a guiding mind, bringing all levels of the bus system together to achieve that objective.

Under this model, local authorities would develop a plan for a bus network that meets the need of their communities. CJCs would then be responsible for

bringing these together to agree a regional plan. Transport for Wales would work with them, on behalf of the Welsh Government, to combine these networks into a national plan to be reviewed by the members of the supervisory board and agreed by Ministers. At each of these stages we would expect Transport for Wales to offer specialist network planning support and work with local authorities and CJCs to help develop their plans and ensure they are well integrated with rail services across Wales.

Our current proposal is that this board must include representation from each of the Corporate Joint Committees to feed their regional perspective into the overall plan and to ensure inter-regional join up. It should also include the Welsh Government, who are responsible for national transport strategy, for overall funding levels, and for Wales and Borders rail services through Transport for Wales.

That final plan should also be informed by expert and public views on bus services, to ensure it is considering a range of perspectives. We are currently proposing that this includes an operator representative, a staff representative, and a public transport user representative who would sit on that board. We are not proposing to set out specifically in primary legislation who these representatives should be, but we will expect the board to give regard to their views and allow, by regulations and guidance, more detail to be set out on exactly how that representation will operate. This will allow the representatives on the board to properly reflect the composition of the industry, workforce and passenger body at the time, without tying a future board to a model designed for the industry as it stands in 2022.

To effectively implement the overall franchise plan, we are proposing to develop a new national centre of excellence for franchising contracting through Transport for Wales, giving all parts of Wales access to the same specialist resources to tender and manage high quality franchise contracts. To ensure this national level contracting scheme operates effectively we are proposing that the franchising power sits with the Welsh Government, so that Transport for Wales can work with CJCs and local authorities to discharge it on the Welsh Governments behalf. This would have the additional benefit of aligning the powers with rail services, allowing us through Transport for Wales to make plans for services, ticketing and journey information for bus and rail side by side. This will allow us

to avoid duplication of publicly subsidised bus and rail services wherever possible and focus on offering people a better integrated overall public transport network, including strengthening the case for investment in rail services where bus networks can be planned to complement rather than compete with them. It also enables coordination with the long-distance TrawsCymru bus services and Fflecsi demand-responsive bus services that are overseen by Transport for Wales on the Welsh Ministers' behalf.

However, to ensure local input, Welsh Ministers would have a statutory duty to consult the members of the proposed supervisory board on franchising plans and would have to report on and account for any departures from their recommendations.

We are also proposing to allow Welsh Ministers to delegate the franchising power. We are not expecting to do so, but this future-proofs the primary legislation against unplanned changes to delivery structures, so that powers could be delegated to a statutory delivery body, should it be deemed appropriate in future. We would consult on any further changes to CJCs' responsibilities to ensure they reflected an agreed understanding of the appropriate role for CJCs.

For this model to work in practice, plans developed at each level of the system will need to be affordable within an overall model. We are proposing to create a duty to ensure that affordability is considered when developing network plans, both at the regional and national level. This would mirror, for example, a similar model created in the Railways Act for infrastructure improvements, which creates a duty to consider affordability and sustainable funding. In practice the Welsh Government will need to work with local authorities through Corporate Joint Committees to discuss and agree funding envelopes to ensure they can plan against, ensuring that decisions can be taken throughout the system, both to contribute the right level of investment according to an area's needs and to maximise that investment by designing the best possible bus services within the budget available. Whilst it is not required by the legislation, under the Railways Act model, the Secretary of State publishes a multi-year Statement of Funds Available to provide a basis against which this duty can be fulfilled.

Under the current devolved funding settlement, we are unable to provide the

kind of long-term funding certainty such a system would ideally receive, but we will work with Local Government to develop an indicative funding envelope against which they can plan, to ensure we are all working towards the same objectives and planning the best bus network we are able to deliver within that budget.

This model would generate the following benefits for each level of the system:

Passengers will have:

- a new bus system, where Welsh Ministers are supported by a guiding mind that can coordinate delivery bodies to implement 'One Network, One Timetable, One Ticket' and use investment with maximum efficiency to increase and improve their bus services
- a passenger voice to input passenger priorities at the highest level as part of the supervisory board guiding mind.

Local authorities, directly and with their input through their Corporate Joint Committees, will have:

- the ability to design bus network plans that best meet their communities' needs
- a major say in national decisions about the shape of the franchising system and its operation
- transport for Wales working with them, on behalf of the Welsh Ministers, to help deliver their local-regional needs and priorities with maximum efficiency of resources and expertise
- a substantial say in the distribution of services and national investment from Welsh Government across CJCs / LA priorities.

Welsh Government will have:

- a bus governance system able to design a bus network fit to address the climate emergency, and capable to fulfil wider environmental, economic objectives and social policy objectives with maximum rapidity and lowest cost
- the ability, through Transport for Wales, to coordinate bus and rail to create a

multimodal integrated 'One Network, One Timetable, One Ticket'.

Bus operators will have:

- a clear vision for the future of the bus network following the COVID-19 pandemic
- maximum patronage uplift and consequent expansion of the bus industry through optimisation of network attractiveness as 'One Network, One Timetable, One Ticket'
- collaborative working through a seat at the top table of the supervisory board guiding mind plus expert exchange at network design level
- removal of market uncertainty risk through the franchising authority by means of gross contracts (i.e. the Welsh Ministers will take the ticket revenue and with it the revenue risk).

Bus company employees will have:

- collaborative working through a representative seat at the 'top table' of the supervisory board guiding mind
- better protection against a race to the bottom with the franchising authority able to set contractual conditions for all franchise competitions, in line with our Economic Contract.

This model ensures that local authorities can work together regionally through Corporate Joint Committees to plan the services their communities need, and then have a meaningful say in how Welsh Ministers combine regional networks into an overall bus system designed to maximise the benefits it generates for people in Wales, contracting with economies of scale and ensuring the whole country has access to the same skills and expertise. This highlights the importance of collaboration and co-design, with all levels of government in Wales working together to best serve our communities, in line with the Ways of Working set out in the Wellbeing of Future Generations Act.

Question 3

Do you agree with the Welsh Government's preferred franchising model as

described above? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 4

Do you agree that this model provides sufficient local input for designing local bus networks? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 5

Do you agree that there is a need for regional consideration and coordination of bus network plans by Corporate Joint Committees, before combining them at a national level? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 6

Do you agree that letting and managing contracts at the national level by the Welsh Government through Transport for Wales offers the best opportunity to pool franchising expertise, deliver economies of scale? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 7

Do you agree with the need for a duty to ensure plans are designed to be affordable? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Additional requirements, regulations and guidance

Primary legislation will set the structures for franchising, but there will be a lot of additional detail required to ensure implementing franchising is a success. Some of these issues will need to be dealt with in the Bill, ensuring that franchising powers are exercised to support the long-term growth of the industry. Other detail will need to be set out in further regulations and guidance to ensure franchising is implemented well, which is set out below.

We are aiming to maximise the effectiveness of franchising both in providing high quality public transport services and growing and sustaining a healthy market to deliver bus routes. That includes having a range of SMEs and municipal operators as well as the large commercial operators who can bid to run franchise contracts. The majority of this will rely on the contracting approach, ensuring there are attractive opportunities for all types of operators to compete for. However, we are particularly conscious of the risk franchising poses to smaller operators. We are working with Transport for Wales and operators to consider how to ensure zero emission buses and appropriate depot facilities could be available to smaller operators, to reduce the barrier to market entry and capital risk of bidding for contracts. We are proposing that when exercising franchising powers, all feasible steps should be taken to seek to ensure that franchising plans and forms of contracts used to operationalise them will give small and medium sized bus operators an equal chance to compete with corporate players and will support a healthy SME sector. We are proposing that this includes a specific legislative duty to consider the impacts on SMEs when franchising.

Other franchising models, such as in rail, include provisions in case of operator failure to allow an Operator of Last Resort to step in and run services (An operator of last resort is a business in the United Kingdom that operates a franchise if an operating company is no longer able to do so). Even before the crisis of the COVID-19 pandemic this power had been used on multiple occasions to ensure trains kept running after a franchisee in financial difficulties withdrew from a contract. We are proposing to create a similar provision,

whereby a public service operator, which might for example be a locally owned municipal operator or Transport for Wales at a national level, could step in should a franchise fail and make sure buses keep running.

We are also proposing to give the Welsh Ministers powers to make regulations and guidance in relation to franchising, setting out key objectives we consider are necessary to successful franchising and to support the long-term growth of bus services and the bus industry, especially should powers to franchise be delegated in future. We expect that this should include:

- regulations for dates by which network plans of routes to be franchised should be prepared to ensure rapid transition to new arrangements
- guidance on minimum quality standards for services, detailed through contracts
- guidance on expected service frequency standards, detailed through contracts
- guidance for permits or other requirements for routes crossing the boundary of the franchise area
- decarbonisation requirements, such as targets for decarbonisation of buses,
- regulations to ensure consistency of fares and coordinated ticketing
- regulations on the provision of clear, high-quality and up to date information on bus services, both to ensure passengers can make easy, informed journey choices and to support the development of network plans
- guidance for how bus network plans for franchising should be prepared including co-production with operators and communities, and consideration of wider policies such as planning and learner travel
- guidance for how the bus network integrates with other transport modes.
- guidance for the letting of franchise contracts to include:
  - how the franchise contract procurement strategy addresses the Welsh Government's policy such as supporting SMEs and the foundational economy.
  - standard franchise contract terms, including minimum terms of staff pay and conditions, in line with our Economic Contract.
  - good practice principles for contract procurement strategy.
  - transitionary requirements for moving between franchise contracts

These guidance and regulations will also offer the flexibility to consider how best

to implement franchising in different parts of Wales, ensuring that appropriate service levels are delivered both in rural communities and in city regions and considering the make-up of the bus industry in the relevant area.

Question 8

Do you agree that the proposed powers to make regulations and guidance are suitable to ensure franchises are let successfully and sustainably? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 9

Do you agree with the proposed requirement to consider the impact on SME bus operators when franchising? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 10

Do you agree with the benefits of establishing a mechanism to allow a public service Operator of Last Resort to ensure services keep running if a franchise fails? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

School transport

This white paper consultation is not setting out any proposals for changes to the Learner Travel Measure, which governs the provision of school transport by local authorities, however our intention is to take forward a full review which will be subject to consultation in due course. Consequently, we are not seeking comments on the Learner Travel Measure at this point. However, the ability to shape the network planning process will allow local authorities to maximise alignment of public and school transport services wherever it is appropriate and

efficient to do so, whilst retaining the power and responsibility to provide dedicated home to school transport for those pupils who need it.

Transition arrangements

Transitional arrangements will need to be put in place to ensure bus services continue, and continue to improve whilst the proposed legislation progresses and whilst franchises are being prepared and let, minimising disruption for passengers. We will work closely with operators, Local Government and Transport for Wales to make sure we move towards our vision and objectives over this period and prepare the way to transition to a high-quality franchised system. We anticipate creating a regulation-making power for Ministers to make provisions for a smooth transition.

Transitional regulations and arrangements may need to be include (but are not limited to):

- ensuring authorities and operators will be informed and given sufficient notice about changes
- ensuring existing contracts on services are seen out as necessary, or adapted to fit franchise arrangements where this is appropriate
- where team members of existing services that may be affected, should be protected via TUPE arrangements appropriate to each arrangement

Question 11

Do you think further specific legislative provisions are needed for the transitional period until franchising is introduced? Please provide comments.

Municipal bus companies

Sometimes, local authorities receive few or no bids to run bus services, be they school services or contracted socially necessary services. This means either

that services don't run, or that they end up paying over the odds for a private operator to fill that gap because they aren't allowed to run those services themselves except in very limited circumstances.

This problem was further exacerbated by the COVID-19 pandemic, where some bus operators considered ending bus services on certain routes and others survived only because of funding support from the Welsh Government. This highlighted the precarious situation that if a bus operating company failed, the local authority wouldn't be able to protect services in their communities. They aren't able to set up a new municipal bus company to run services directly except in very specific circumstances, and they have no alternatives if there aren't any bids to run contracted services in their area, or if the only bids are unaffordable.

The Transport Act 1985 prohibits local authorities from running their own bus companies, except where:

- a Local Authority was already operating a bus company when the prohibition came into force (Cardiff Bus and Newport Bus operate under this exemption)
- a local authority only runs a small operation and has applied to the Welsh Ministers for an exemption from the general restriction (the number of vehicles permitted under this exception is currently 10) or,
- a bus operator has failed to run a service as contracted under a Quality Contracts Scheme or a franchising scheme and the local authority has had to step in (the law permitting Quality Contract Schemes is not in force in Wales).

We are proposing to lift that restriction to ensure parity that will allow local authorities the powers to run services either in-house or via an arms-length company as part of the franchised network.

An arms-length bus company would manage services as an independent commercial organisation with its own management board. The main shareholder of the company would be the local authority, but it would not involve itself in the day-to-day running of services.

We are also proposing to allow local authorities to invest in or acquire bus

companies.

In addition to removing a barrier to public investment, this would also allow the merger of two municipal bus companies, which could offer economies of scale or allow them to operate over a wider area. Under current rules, the local authority owners could not both remain shareholders of a merged company as it would count as investing in a new company. This actively inhibits collaboration between local authorities and prevents attempts to deliver services more efficiently where this can be done regionally.

Finally, municipal bus companies are currently unable to raise funds, either by borrowing or by selling share capital. This puts them on an uneven playing field with commercial competitors, an issue which was acutely highlighted during the COVID-19 pandemic, and which prevents investment in zero emission buses. We are proposing to relax those restrictions and allow municipal bus operators to raise funds on a level playing field, freeing up investment into the local bus services they run, and ensuring that there are no advantages under the franchised system.

In addition, the implementation of these reforms could also create an option for an Operator of Last Resort whereby a municipal bus company could, where viable, operate in a different part of Wales to provide network bus services should there be no bidders coming forward to tender for a franchise, or a franchisee ceases to operate part way through a contract term.

These provisions are designed to ensure a healthy and equitable bus sector, where all parts of the system, be they municipal, small, or corporate operators, are able to contribute as fully as possible to a network designed for the public good, according to their strengths.

Question 12

Do you agree that local authorities should be able to run bus services directly? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 13

Do you agree that local authorities should be able to set up arms-length companies to operate local bus services? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 14

Do you agree that local authorities should be able to invest in or acquire bus companies? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 15

Do you agree that municipal bus companies should be able to raise fund by borrowing or selling shares? Please score from 5 agree strongly to 1 disagree strongly. Please provide comments.

Question 16

Are there any additional safeguards you would like to see applying to the use of these powers? Please provide comments.

Question 17

Are there any further comments you would like to provide on the content of this white paper?

Draft regulatory impact assessment

We have published a draft regulatory impact assessment (RIA) alongside this paper, which aims to assess the evidence about the costs and benefits of delivering high quality bus networks through a franchising approach, and comparing with enhanced partnerships (such as have been introduced in England) and a baseline scenario.

The franchising scenario in the RIA is based on a notional scenario in which non-legislative measures, such as bus stop improvements, bus stations, bus priority measures, are not included as they are not directly required or affected by the legislation – to enable a neutral assessment of costs and benefits to be presented.

The legislative proposals are however considered as enabling measures, which would provide an enhanced ability to lock in benefits of wider, and potentially substantial, investments in measures such as on-street or bus station infrastructure, and bus priority measures. Hence the draft RIA includes a second scenario with investment beyond legislative change, which is aimed at producing significant benefits and patronage increases at a scale higher than the legislative proposals themselves.

The draft RIA considers the cost of a franchising model where each local authority is responsible for franchising services in their area. This provides a conservative resource cost estimate that represents functions duplicated over all 22 local authorities. This offers the advantage of providing a fair comparison to an alternative enhanced partnership model, simply on the benefits they can offer passengers, without considering the economies of scale available from franchising at a national level. It also has the advantage of providing a cost comparison that does not pre-suppose the outcome of this white paper.

Although this local franchising model is not the preferred policy approach set forward in this paper, which aims above to set out the benefits of taking a regional view of network plans and concentrating franchising skills at the national level, it has been adopted in the draft RIA to give a level playing field for comparison of the different forms of bus governance. Subject to the outcome of

this consultation, the draft RIA will be updated to reflect the policy as it is presented in the proposed bill. We will also undertake some further analysis prior to the publication of the final RIA, including sensitivity analysis to test the robustness of the modelling results to changes in key assumptions and further consideration of the impact of the proposals on the bus sector and competition in Wales.

We would welcome any comments or feedback on the modelling contained in the draft RIA.

Question 18

Do you have any comments on the draft Regulatory Impact Assessment published alongside this paper?

Question 19

We would like to know your views on the effects that the proposals would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Question 20

Please also explain how you believe the proposals could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Question 21

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

How to respond

Submit your response by 24 June 2022 in any of the following ways:

- complete our **online form**
- download, complete our **online form** and email to **busbillconsultation@gov.wales**.
- download, complete our **online form** and post to:

Bus Bill Team
Second Floor South Pillar B09
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Your rights

Under the data protection legislation, you have the right:

- to be informed of the personal data held about you and to access it
- to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please **tell us**.

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the GDPR, please see contact details below:

Data Protection Officer

Data Protection Officer
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

E-mail: **data.protectionofficer@gov.wales**

Information Commissioner's Office

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Telephone: 01625 545 745 or 0303 123 1113

Website: **ico.org.uk**

UK General Data Protection Regulation (UK GDPR)

The Welsh Government will be data controller for any personal data you provide as part of your response to the consultation. Welsh Ministers have statutory

powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data. In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. If you do not want your name or address published, please tell us this in writing when you send your response. We will then redact them before publishing.

You should also be aware of our responsibilities under Freedom of Information legislation. If your details are published as part of the consultation response then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

Further information and related documents

Number: WG44838

You can view this document in **alternative languages.**

If you need it in a different format, please **contact us**.

About this document

This document is a copy of the web page **One network, one timetable, one ticket: planning buses as a public service for Wales** downloaded.

Go to **https://gov.wales/one-network-one-timetable-one-ticket-planning-buses-public-service-wales-html** for the latest version.

This document may not be fully accessible, for more information refer to our **accessibility statement**.

Get **information on copyright**.

Appendix 2 – Flintshire's core bus network

Core bus routes:
1. Rhyl/Prestatyn-Holywell-Flint-DIP-Connah's Quay- Chester
2. Mold-Flint
3. Mold-Buckley- Chester
4. Mold-Denbigh
5. Mold-Buckley-Wrexham
6. Mold-Ruthin
7. Buckley-Deeside
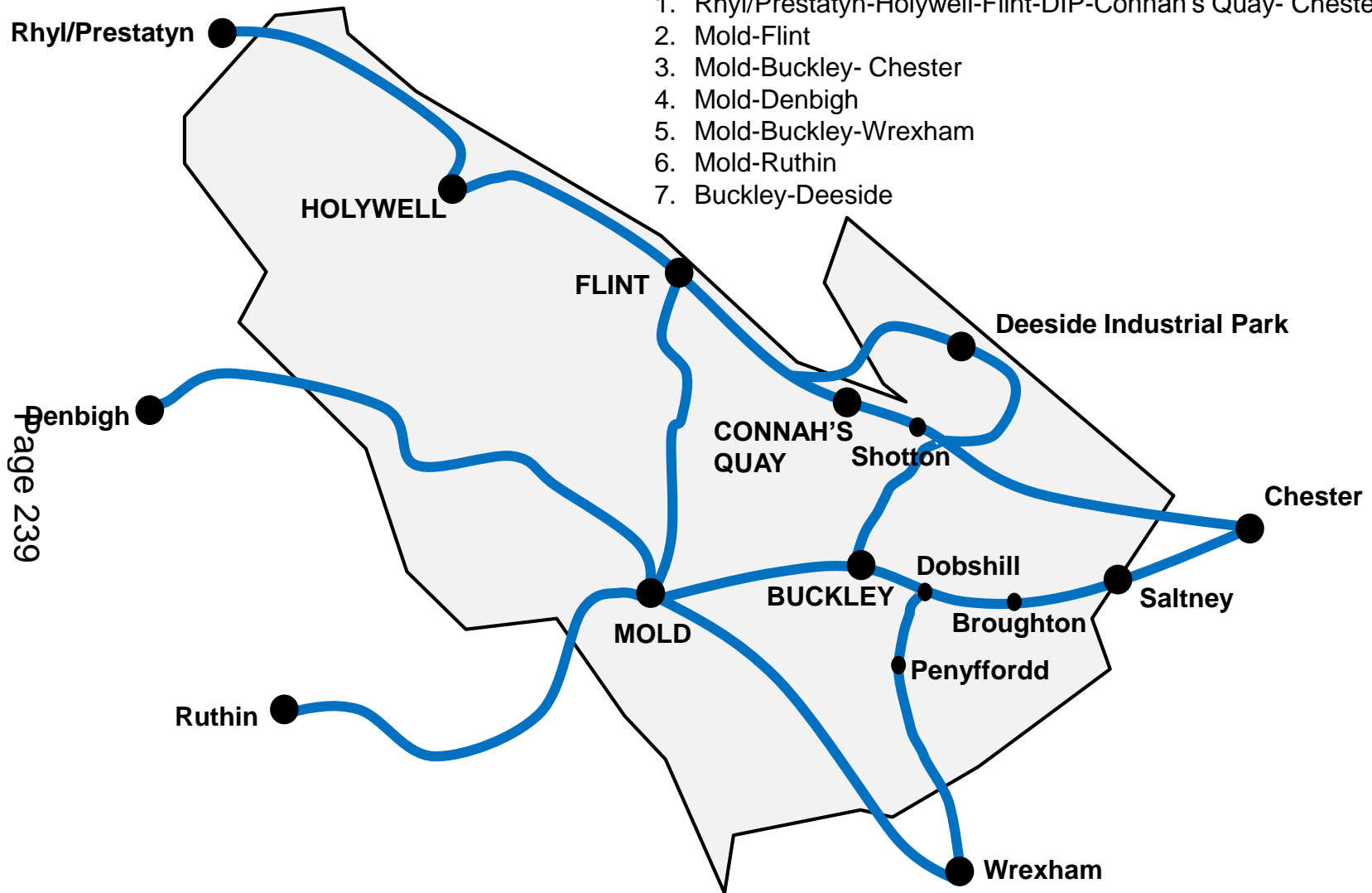
This page is intentionally left blank

Appendix 3 - List of current bus routes and funding Flintshire

Service	Route Description	Type of Service	Details
1	Mold - Loggerheads - Llanarmon-yn-Ial - Ruthin	Subsidised	Wholly under contract to Denbighshire
2	Mold - Eryrys - Llanarmon-yn-Ial - Ruthin	Subsidised	Wholly under contract to Denbighshire
X1	Ruthin - Mold - Chester	Subsidised	Wholly under contract to Denbighshire
3	Broughton - Chester	Commercial	Commercial
4	Mold – New Brighton – Mynydd Isa - Buckley – Hawarden – Broughton – Chester	Commercial	Commercial
4S	Mold – Buckley – Hawarden – Bretton - Chester	Commercial	Commercial
X4	Mold - Mynydd Isa - Buckley - Ewloe Green - Ewloe - Hawarden - Broughton - Chester	Commercial	Commercial
5	Mold - Buckley - Queensferry - Deeside Industrial Park - Ellesmere Port	Subsidised	Wholly under contract to Flintshire
6, 6A	Mold - Pantymwyn	Commercial	Peak journeys (e.g. schools) are under contract. All other journeys are commercial
10	Connah's Quay - Shotton - Queensferry - Chester	Commercial	Commercial
10A	Connah's Quay - Shotton - Queensferry - Chester	Commercial	Commercial
11	Holywell – Flint – Shotton – Hawarden – Broughton - Chester	Commercial	Commercial
11A	(Rhyl -) Holywell - Flint - Connah's Quay - Hawarden - Broughton - Chester	Subsidised	Wholly under contract to Flintshire - evening journeys
11C, 11M, 11X	Rhyl - Prestatyn - Holywell	Commercial	Commercial
14	Mold - Caerwys - Bodfari - Denbigh	Subsidised	Wholly under contract to Flintshire
14D	Denbigh - Bodfari - Caerwys - Mold	Subsidised	School transport service. Wholly under contract to Flintshire
14M	Denbigh - Bodfari - Caerwys - Mold	Subsidised	School transport service. Wholly under contract to Flintshire
16	Chester - Lache - Saltney	Commercial	Commercial
18	Flint Cornist - Holywell - Penyffordd - Prestatyn - Rhyl	Commercial	Some support provided for scholar passes and extension of service to Rhyl
19	Flint Cornist - Holywell - Berthengam - Prestatyn - Rhyl	Commercial	Some support provided for scholar passes at peak times
22/22A	Holway - Holywell - Pen-y-Maes - Brynford	Commercial	Commercial
28, 28A	Wrexham - Penyffordd - Buckley - Mold - Northop - Flint	Commercial	Some support provided for peak journeys at school times and scholar passes
29	Mold - Leeswood - Caergwrle - Maelor Hospital - Wrexham	Subsidised	Wholly under contract to Flintshire
126	Holywell / Pentre Halkyn / Halkyn / Rhosesmor / Mold	Subsidised	School transport journeys are under contract. All other journeys are commercial
127	Mold - Rhosesmor - Lixwm - Brynford - Pantasaph - Holway	Subsidised	School transport service. Wholly under contract to Flintshire
D1	Connah's Quay - Shotton - Queensferry - Garden City - DIP	Subsidised	Wholly under contract to Flintshire
D2	Connah's Quay, Ffordd Llanarth - Wepre Park - DIP	Subsidised	Wholly under contract to Flintshire
D3	Flint - Oakenholt - DIP	Subsidised	Wholly under contract to Flintshire
LT4 & DRT	Buckley Town Shuttle service Mon, Wed, Fri on scheduled timetable. Tues, Thu, Sat operates as a pre-pookable serivce within Buckley area. School journeys included.	Subsidised	Wholly under contract to Flintshire
LT7	Hope, Leeswood, Treuddyn, Nercwys to Mold, Monday to Saturday inc.	Subsidised	Wholly under contract to Flintshire
LT8	Caegwrle, Hope, Penyffordd, Higher Kinnerton to Broughton Shopping Centre. Monday to Saturday inc. Includes school journeys	Subsidised	Wholly under contract to Flintshire
Holywell Fflecsi	Fflecsi Service Holywell pre-bookable demand responsive service in and around Holywell	Subsidised	Wholly under contract to Flintshire

Funding Available 2022-2023

FCC Revenue	£512,173.00
BSSG (WG grant)	£557,979.00
School transport	£325,000.00
LA recharges	£78,603.00
Community Transport	£30,000.00
TOTAL	**£1,503,755.00**

Welsh Government

ANNEX 1 – Regulatory Impact Assessment

Preamble

This draft regulatory impact assessment (RIA) aims to assess evidence about the costs and benefits of delivering high quality bus networks, comparing a baseline scenario with franchising, and an enhanced partnership approach, such as are being introduced in England, as well as considering further investment beyond legislative change, to set out a comparison between different policy approaches.

The draft RIA considers the cost of a franchising model where each local authority is responsible for franchising services in their area. This provides a conservative resource cost estimate that represents functions duplicated over all 22 authorities. This offers the advantage of providing a fair comparison to an alternative enhanced partnership model, simply on the benefits they can offer passengers, without considering the economies of scale available from franchising at a national level. It also has the advantage of providing a cost comparison that does not pre-suppose the outcome of the corresponding white paper consultation.

Although this local franchising model is not the preferred policy approach set forward in the white paper, which aims above to set out the benefits of taking a regional view of network plans and concentrating franchising skills at the national level, it has been adopted in the draft RIA to give a level playing field for comparison of the different forms of bus governance.

The methodology for assessing costs and benefits is based on relevant transport appraisal guidance as set out within the RIA. Use of guidance has been supplemented by consultation with Welsh Government economists, to ensure the assessment is aligned with the values and strategic transport objectives of the Welsh Government. The costs and benefits presented in this draft RIA are not suitable for comparison with the Explanatory Memorandum prepared for the previous draft bus legislation, which also considered franchising and partnerships. More detailed analysis of potential changes to bus networks has been undertaken to inform this version of the RIA and various cost and benefits assumptions have been amended to reflect plans for bus reform in Wales.

Subject to the outcome of this consultation the draft RIA will be updated to reflect the policy as it is presented in the proposed bill. This will include additional consideration of resources required during the transition period and future steady state operating model.

We would welcome any comments or feedback on the modelling and analysis contained in the draft RIA.

1. Introduction

1.1. Defining the Policy Problem

1.1.1. Falling Patronage of Bus Services

1.1.1.1. Bus journeys account for approximately three quarters of all journeys made by public transport in Wales and perform a critical role in providing access to jobs, services, education, hospitals and leisure activities. Bus use in Wales has been generally falling since the 1980s, from around 180M passenger trips per year in 1986/87, to 130M trips in 2008/09, and 101M trips per year in 2018/19 – a 56% drop since 1987, and a 22% drop since 2009[1]. It should be noted that the population of Wales has increased by 8.2% between 1998 and 2018, and by 3.7% between 2008 and 2018. The fall in bus use has thus taken place against a growth in overall population and total trips by all modes. This trend can be compared with a growth of car traffic (in vehicle kilometres) of 45% from 1993 to 2018[2]. Hence overall the bus services in Wales have collectively not been able to maintain mode share.

1.1.1.2. Over the long period of decline in bus use, regular investment has been made by Welsh Government and local authorities in bus measures and improvements. This includes schemes such as bus stations and interchanges, on-street and segregated bus priority measures, ongoing bus stop improvements, improved online bus information and journey planning via Traveline Cymru, increasing the network of TrawsCymru bus services, significant annual support grants based on operator mileage (Bus Services Support Grant; BSSG), and the all-day concession fare reimbursement scheme. The advent of free concessionary fares for older people and people with mobility difficulties, for a period of some years after their introduction produced the most significant reversal of the declining longer-term ridership trend.

1.1.1.3. Welsh Government's reimbursement of concession fares to operators is made for trips at any time of day, unlike in England where trips in the morning peak are not covered by concession travel. In Wales, fares are reimbursed to operators at approximately two thirds of the regular single fare, which, when concession travellers make a two-way return journey, can often provide a net

---

[1] Department for Transport. 2021. BUS0103: Passenger journeys on local bus services by metropolitan area status and country

[2] StatsWales. 2021. Volume of road traffic by road classification and year

revenue similar to a normal Return Ticket (or Day Ticket). The reimbursement scheme has had a significant effect on maintaining overall trip numbers. A proportion of concession trips are recognised as 'generated' trips which would not have otherwise been made if fares were charged, and also the revenue generated has underpinned the provision of all bus services to attract fare-paying passengers. Selected statistics[3] illustrate the reliance on the concession reimbursement arrangement to maintain patronage levels:

- Half or all bus trips in Wales (50%) in 2019/20 were made by concessionary passengers (up from 43% in 2008); and

- The fall in fare-paying bus patronage from 2008 to 2018 was 25%[4], whereas the fall in concession journeys was 10% over the same period.

1.1.1.4.   Discussions with local authorities, engagement and consultation with bus operators (in the context developing bus reform proposals in 2018-19) and desktop research suggests that the historical reduction in bus patronage is due to a combination of factors. These include:

- Complicated ticket offers and lack of integrated tickets for use on different operators' services;

- Lack of stability of bus service routes and timetables (which means that people are unwilling to commit to using public transport as part of their daily life);

- Reductions in the number of local authority supported bus services which leads to less bus trips; and

- Slow and unreliable bus journey times makes bus less attractive to potential users, and also increases operating costs – which has a knock-on effect of reduced frequency, which increases waiting times and further reduces attractiveness of buses, and which as a further deterrent to passengers increases the fare prices operators have to charge to cover their costs.

1.1.1.5.   Data and research also identify external factors which create challenges to attracting people to use buses, including:

---

[3] Department for Transport. 2021. BUS0105: Concessionary passenger journeys on local bus services by metropolitan area status and country

[4] Department for Transport. 2021. BUS0103: Passenger journeys on local bus services by metropolitan area status and country

- Increasing car ownership[5] – with the proportion of households in Wales without access to a car or van (for activities such as visiting local shops or going to the doctor) falling steadily from 21% in 2013 to 13% in 2019, which inevitably reduces bus patronage;

The cost of bus travel has increased relative to the cost of motoring. At a UK level, average bus fares have risen by 403% since 1987, compared to just 163% for motoring costs[6];Activity for work, leisure and retail has shifted from town centres to edge of town, car-served, low density monofunctional spaces like the business park, retail park or owner-occupier estate, creating polycentric patterns of movement[7]. This type of movement does not align well with traditional radial bus services into town centres; and

- A rise in on-line shopping – which tends to reduce the demand for bus travel on core bus routes into town centres.

1.1.1.6.   The COVID-19 pandemic from 2020 has also contributed to a trend of working from home for those occupations where this is possible, which is likely to be a long-term phenomenon, and which has beneficial policy outcomes in terms of reducing travel and associated carbon emissions, but also contributes to lowering bus use. Welsh Government announced in 2020[8] a long-term ambition to see around 30% of Welsh workers working from home or near home – giving more people the choice to work in a way that helps their productivity as well as their work-life balance, and with the potential to drive regeneration and economic activity in communities.

1.1.1.7.   The importance of car ownership and car availability in peoples' mode choice is underlined by data which shows that the vast majority of bus trips are taken by people with no access to a car for that trip (for example, surveys in Swansea in 2014 indicated that only around 15% of people making bus journeys had access to a car for that trip[9]). It can be concluded that choosing between bus and car is not a practical consideration for most people's journeys, and that a significant proportion of bus patronage in Wales is made up of a 'captive market' of:

---

[5] Welsh Government. 2021. Llwybr Newydd: a new Wales transport strategy - Supporting information: transport data and trends

[6] Department for Transport. 2021. Bus Back Better: national bus strategy for England

[7] Welsh Government. Foundational Economy Research. 2021. Small Towns, Big Issues: aligning business models, organisation, imagination

[8] Welsh Government. 2020. Aim for 30% of the Welsh workforce to work remotely

[9] SWWITCH. 2014. South West Wales Travel Pattern Survey

- people without access to a car (including students, who use buses in large numbers in Wales's university cities); and

- concessionary passengers who travel for free (which comprises of almost half of all bus journeys).

1.1.1.8.   Another key inhibitor of bus use is that bus journeys are generally only practical for direct, single leg, bus journeys – which means that bus travel excludes a large proportion of all trips which are not served by direct bus trips. For example, in Cardiff, around 30% of jobs are in the city centre[10] – which is well served by bus. However, the majority of trips in the city are not to and from central areas, and these are generally not well served by bus (and hence are typically made by car). Census data shows that 'direct' journeys on urban radial bus corridors generally have a relatively healthy bus mode-share for Journey to Work of over 20%[11] - but indirect journeys have a much lower bus mode share. An illustrative but realistic theoretical example shows the typical make-up of bus mode share:

> **Illustrative theoretical example of bus mode share for direct and indirect journeys**
>
> In a typical urban area with 100,000 trips by all modes in the morning peak period, direct buses may only be a realistic choice for around 40% (or 40,000) of those trips (i.e. those trips which are on radial bus corridors towards the central area). Assuming these radial journeys have a relatively high mode share of 20%, this results in 8,000 bus trips. The remaining 60% of trips (60,000) are not well aligned to radial bus corridors, and hence a much lower bus mode share of around 4% is typical, equating to 2,400 trips by bus. Overall, the number of bus trips is therefore 10,400, equivalent to approximately 10% of all trips. This is an average figure which conceals the wide range of high mode share (for radial journeys which are well served by bus) and low mode share (for non-radial journeys that are not) for movement patterns with different geographical orientations.

1.1.1.9.   The illustrative case shows that in order to significantly grow bus usage, it is important to be able to attract some of the 'indirect' journeys, which typically make up the majority of trips in an area but are presently hard to make by bus. For example, a typical car journey across a town, if made by bus, would be likely to involve undertaking an indirect, two or three-leg journey by bus (or by bus and rail), which would presently be an unrealistic and unappealing

---

[10] ONS, 2018, Business Register and Employment Survey

[11] Census. 2011. Method of travel to work - Llysfaen/Llanddulas to Llandudno (Central) 20.5% bus mode share, Leckwith/Canton to Cardiff City Centre 48% bus mode share.

trip due to the lack of co-ordination between bus services, and complex ticketing arrangements. This leads to a conclusion that for bus to meet people's everyday travel needs, the 'in-scope' journey market for bus travel needs to be widened, which in turn means that operating bus service lines as a co-ordinated network is necessarily a key feature of success – such that customers can realistically reach multiple places on the network (with the ability to easily transfer between services as necessary).

1.1.1.10.   In summary therefore, the key aspects of the historical fall in bus passenger numbers in Wales are:

- Bus use has reduced over time even though the population has grown, and in comparison, car use has grown significantly;

- Regular investment in bus services and infrastructure by Welsh Government (although beneficial) has failed to overturn the decline in bus use;

- Welsh Government's free concession travel has masked the decline in bus patronage, and temporarily reversed it, and the associated fare reimbursement scheme continues to be fundamental to maintaining bus services;

- Complicated ticket offers, lack of integrated tickets, and lack of stability of bus service routes all combine to make regular bus travel unappealing;

- Reductions in local authority support for bus services has led directly to fewer bus trips;

- Traffic congestion has led to slower and unreliable bus journey times, which makes bus less attractive, and also increases operating costs and thus fare prices (and can lead to a reduced frequency which increases waiting times and further reduces patronage);

- Much land use development in recent years and decades has not aligned with traditional radial bus routes;

- Increasing car ownership, comparatively low costs of motoring relative to bus travel, a rise in online shopping and working from home have also contributed to the decline in bus use.

1.1.1.11.   The ability of the bus sector to halt the decline in patronage is inhibited by the tendency for bus operators to follow a logical commercial imperative of focussing on the most profitable market, that comprising people making journeys on radial corridors towards central areas, a focus which is also the strongest defence to deter competitor incursions which would bite heavily into profit margins. This means that the target market for bus companies in an unregulated environment largely excludes the large number of trips

which start and end outside central areas. This effectively caps the potential bus user market to a minority of trips in an area. Addressing this shortfall will necessarily require bus service lines to be operated as a co-ordinated network – such that customers can realistically reach a much wider range of destinations (with the ability to easily transfer between services as necessary).

1.1.2. The Present Bus Operating Model

1.1.2.1. The bus sector in Wales (and the rest of Great Britain) has been deregulated since 1986, which means that bus operators design routes and set fares for the majority of bus services (subject to operating standards regulated by the Traffic Commissioner).

1.1.2.2. Given this arrangement, bus operators quite rationally focus primarily on maximising their revenue in comparison to their operating cost – and hence understandably are not in a position to prioritise 'policy' aspects such as maximising mode share of bus in a town or city. Bus operators instead focus on maintaining their core market of passengers, focusing in particular on people whose regular journeys are constrained to radial bus corridors connected to central areas. As noted previously, in the context of growing car ownership[12], low costs of car use relative to bus fares and a tendency for polycentric land use development (over recent decades), this core bus market has been slowly decreasing.

1.1.2.3. Bus operators effectively control and decide where most core bus services are operated in Wales. This has led to a situation in which local authorities' transport plans have historically focused on bus infrastructure measures – and neglected consideration of the overall bus network in respect of defining goals and objectives, identifying problems, and generating network plans (with co-ordination of routes and frequencies). This lack of focus on long-term network planning for bus is a natural result of the fragmentation of responsibilities between multiple operators and local authorities – with the former focussed on operating their own bus services to best commercial effect and with a completely free hand to run buses where and when they wish, whilst the latter are focussed on setting transport policies and providing and maintaining transport infrastructure whilst lacking an ability to provide bus services other than those serving destinations and times which commercial bus operators do not wish to serve, and having very limited ability to influence the offering provided by commercial operators. Whilst historically there has been a good level of engagement and partnership working between Welsh Government, Local Authorities

---

[12] Welsh Government. 2021. Llwybr Newydd: a new Wales transport strategy - Supporting information: transport data and trends

and bus operators in Wales, there is an inevitable lack of strategic planning and a consequent 'misalignment of incentives' (as described in documentation prepared by the UK Department for Transport as part of development of the England-wide 2017 Bus Act[13]).

1.1.2.4.   The fragmentation of bus-related activities in Wales involves over 80 bus operators providing around 800 bus routes; 22 local authorities procuring some of these bus services; local authorities also managing BSSG payments to operators; concession passes and reimbursement managed via Transport for Wales; information and timetables provided in various formats via operators, local authorities, and Traveline Cymru; local highway departments maintaining bus stop and road infrastructure; education departments procuring school buses; and four rail franchises operating in Wales with which bus services often compete. There is thus an inherent complexity of interfaces, with a lack of overall planning and clear responsibility for outcomes – which tends to result in each service line being operated as a discrete service with no coordination with other services. This model also leads to financial inefficiencies due to overlaps of bus services (and sometimes overlaps of bus and rail services), and challenges of aligning infrastructure and operational matters.

1.1.2.5.   Research studies on the UK's deregulated environment for bus include conclusions that the current bus model precludes provision of a co-ordinated network and integrated ticketing – with disadvantages noted as follows[14]:

- *"Little opportunity to view the network as a whole",* with tendered services operating as an "*add on to the commercial network covering areas and/or time periods which are not considered commercially viable";* and

- *"In conflict with other policy objectives aimed at stimulating greater use of public transport, such as harmonisation of ticketing systems."*

1.1.2.6.   In terms of funding, in 2018/19 Welsh Government and local authorities in Wales contributed funding of around £115M to the annual bus operator revenue in Wales of approximately £210M (Source: Welsh Government). This means that, even prior to the impacts of the Covid pandemic, over half (c. 55%) of overall bus revenue was government funded. The breakdown of recent annual bus revenue in Wales is summarised as follows (Source: Welsh

---

[13] DfT. 2016. Bus Services Bill Impact Assessments

[14] White, P. 2010. The conflict between competition policy and the wider role of the local bus industry in Britain.

Government):

- Fare-payer revenue at around £95M in 2018/19, which represents around 45% of overall revenue of around £210M;

- Concession fare reimbursement payments of around £68M; and

- Around £47M of grant payments to operators and local authorities (for BSSG and support for tendered services).

1.1.2.7. In the deregulated environment, operators behave rationally by choosing the busiest corridors to operate commercial services, with a reliance on some government support (through the BSSG fund, which provides a per km payment, and with concession fare reimbursement). Bus routes which are not identified by operators as commercial, and which are deemed to be socially necessary, are subsidised by local authorities – with operators contracted to operate these services (via net or gross contracts). In overall terms, and in common with typical international examples of bus networks, each local group of bus services operated in each area of Wales are not commercial in their totality and require significant government financial support.

1.1.2.8. Furthermore, a significant proportion of bus routes in Wales designated as commercial are in fact subsidised via a local authority-funded by de-minimis 'top-up' subsidy; for example, to provide services into the evenings and on Sundays. This means that operators can accrue revenue from sale of day-ticket fares for boardings during the daytime – and be subsidised for providing the return trip in late evening.

1.1.2.9. Bus ticketing technology in Wales has been subject to significant improvement in recent years. Payments can now be made via credit/debit card contactless payment or by smartphone app, as well as cash payment on most services. In some areas multiple operator tickets are available (although generally only from bus drivers, rather than in advance through other outlets) which allows passengers to use different operators' bus services on the same trip, or on the same day, provided they made that choice at the start of their journey. However, these multi-operator tickets are generally more expensive than single operator tickets. Although multiple operator tickets are feasible to implement, the competition requirements of the current deregulated regime means that operators continue to provide their own tickets, if they wish at a lower price, and hence customers are not provided with the simplicity of a single ticketing product (which effectively gives passengers a 'freedom pass' which they can use at any time to make planned or ad-hoc trips).

1.1.2.10. If in future, multi-operator tickets were made more widespread and attractive (although without re-regulation there would be a legal

requirement for operators' own ticket systems to remain in operation), this could lead to a growth in linked trips, with passengers using a number of different service lines during a single journey or over a whole day. However, if this increase in multi-leg bus use occurred, a commensurate system for re-distribution of revenue to operators would be needed – on the basis that a simplistic allocation of revenue (e.g. where a passenger first boards a bus, or an equal split for every boarding) would be very likely to result in an inequitable allocation to different operators' services. A fair fare redistribution arrangement would need to consider factors such as vehicle mileage, vehicle travel time (and congestion effects), urban/rural routing, time of day, type and size of bus, passenger numbers, passengers transferring between lines, and cross-subsidisation of services such as late night 'homebound' service with low numbers of passengers. It is therefore likely that even if a multi-operator ticket was to gain a significant market share under the present regulatory arrangements, then the system for reallocation of revenue would effectively dictate the commerciality of operators' businesses. The resulting revenue aggregation and redistribution process and inter-dependency between operators would be likely to raise competition issues. Furthermore, operators would be unlikely to commit to this approach as it would reduce their commercial independence and would also in practice involve continual negotiation and amendments in response to any changes in demand or costs – such as changes to bus services, land use changes, congestion/roadworks, upgrades to parallel rail lines etc. Hence, overall, there are, in the absence of regulatory change, major legal and commercial barriers to putting in place a single ticket system which is used by all passengers, and from which the fare revenue can be equitably redistributed to operators.

1.1.2.11.   There has been an emergence in recent years of new mobility solutions such as shared-bike schemes, app-based mobility services (e.g. Uber), micro-mobility services (such as e-bikes and electric scooters), as well as an increased focus by Welsh Government on walking and cycling. Users of these modes are often without access to a car, similar to many bus users, and hence there is a risk that use of, for example, short-hire shared-bikes and improved cycle infrastructure will result in abstraction from bus patronage. This highlights the challenge of the current bus model – with operators typically prioritising their own business plan without coordination to maximise potential synergies with local authorities who are investing in infrastructure and/or providing financial support to other sustainable modes which are likely to abstract from bus patronage to some degree, but could also integrate to feed additional users into bus networks.

1.1.2.12.   Hence, the overall situation in respect of the current bus

operating model is as follows:

- There is a fragmentation of responsibilities for bus between multiple operators and local authorities with an associated difficulty of alignment in respect of common goals and policy-based outcomes;

- Local authorities' limited role in managing bus networks means that bus public transport systems are not subject to transport planning as would typically be the case for, for example, road network improvement;

- Bus service lines are typically operated as a set of discrete services with no coordination with other services – as no single organisation has the appropriate capability and directive powers to manage this co-ordination;

- Welsh Government funding accounts for over half of bus operating costs in Wales, but is largely directed to operators without linkage to any long-term improvement strategies; and

- Although multiple operator tickets are feasible to implement under the current arrangements, operators would continue to provide their own tickets, which ultimately fails to provide customers with the simplicity of a single ticketing product. Furthermore, any significant market penetration by a multi-operator ticket will also bring a need for a complex revenue redistribution system to different services and operators, that would likely need continual re-negotiation in response to changes to road conditions, land use, service frequencies etc.

1.1.2.13.   Taken together this produces a complex landscape for planning and service delivery of public transport, with a fragmentation of responsibilities, which means that the bus sector is unable to respond in a cohesive and strategic manner to the challenges of long-term declines in ridership.

1.2. Rationale for Government Intervention

1.2.1. Summary of relevant Welsh Government Policy

1.2.1.1. Welsh Government is promoting and investing in sustainable travel and decarbonisation – underpinned by policy documents:

- **Wellbeing of Future Generations Act:** The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies in Wales to carry out sustainable development. This means that each public body must work to improve the economic, social, environmental and cultural well-being of Wales.

- **Llwybr Newydd:** The new Wales Transport Strategy sets out a vision of 'an accessible, sustainable and efficient transport system'. Modal shift is at the heart of the strategy, which means the proportion of trips made by sustainable modes increases and fewer trips are made by private cars. Llwybr Newydd contains a mini plan for buses which sets specific priorities for the sector, including improving the quality and reach of services, addressing congestion hotspots, keeping people safe and delivering new technology and infrastructure.

- **Net Zero Wales:** The Welsh Government has committed to delivering the following targets to decarbonise the bus fleet:

  - The whole Traws Cymru bus fleet to be zero tailpipe emission by 2026;

  - The most polluting 50% of service buses to be replaced by a zero-tailpipe emission bus fleet by 2028; and

  - The remaining 50% of the service bus fleet to be zero emission by 2035.

- **Bws Cymru:** Bws Cymru has considered and developed policies for bus services in the context of Llwybr Newydd. Bws Cymru amplifies and builds on the proposals in Llwybr Newydd to make the bus services more attractive for people to use in order for them to go about their daily lives with ease, promoting social mobility and economic activity. The policies seek to create the environment to allow a greater levels of service provision and flexibility, helping to provide integrated public transport services, seeking to result in increasing patronage from all sectors of society, reducing car use, reducing carbon emissions and improving air quality. In essence, Welsh Government wants to create a bus system with passengers as its focus, which is easy to access, has extensive networks, is easy to use in terms of through ticketing, easy to understand and navigate – expressed in Bws Cymru as each local area or region having 'One Network, One Timetable, One Ticket'. Bws Cymru

15

recognises the need to legislate for regulation of bus services to achieve this, whilst laying out a set of actions that are possible in the immediate future to achieve steps in that direction prior to the advent of changes to the bus governance system.

1.2.2. Best Practice Bus Networks

1.2.2.1. Addressing shortfalls in the current bus arrangements in Wales requires adoption of best practice for the shape and frequency of services. Best practice guidance states that a network-based approach is essential for public transport success[15] (in terms of service quality, mode share and costs of operation) and depends on addressing the following key requirements:

- An integrated network of bus lines, with easy and comfortable transfer opportunities at several places in the region, not only at the main railway station or city/town centre;

- A simple network with a clear line structure that is easy to understand and remember (for everyone – not just regular users);

- Direct route alignment and the fastest possible speed of vehicle operations with reliable timetables;

- High frequency services where and when the demand is reasonably high;

- Coordinated pulse timetables where demand is weaker in less dense urban areas and rural areas;

- Efficient 'through' lines running through central areas and major public transport interchanges, that also connect major origins and destinations outside the central locations;

- Supporting soft measures such as fare structure, ticketing systems, information and marketing, preferably combined with restrictive policy measures towards car use that can significantly influence public transport demand and the success of all the other measures; and

- Efficient arrangement of the network without overlapping services to address the need for financial affordability of operation.

1.2.2.2. Provision of a network of services involves planning and operating bus services as a 'unified network', such that passengers are practically able to travel anywhere on that network (easily transferring between services as necessary). Successful European

---

[15] HiTrans. 2005. Public transport – Planning the networks

public transport operations demonstrate the benefits of network-based approach to operating bus services. In Nantes in France for example, passenger numbers are significantly higher than comparable UK cities, despite the operating mileage of tram and bus services being comparable to bus operations in UK cities[16]. Adoption of these unified network principles will provide a basis for success for bus-based public transport in Wales.

Annual per capita public transport in six continental Verkehrsverbünde and equivalent parts of Wales (and comparators in England)

Public transport networks in the city-regions of Munich, Vienna and Zurich (which are 10-30 times bigger than the built-up areas of their main cities, and extend to surrounding towns and villages), function as a single system. Buses, trams, underground and suburban trains are coordinated by public transport governing bodies or Verkehrsverbünde (VV) to provide 'one network, one timetable, one ticket'. Levels of public transport use in the VVs are strikingly higher (3-4 times the number of trips) than in comparable areas of Wales and England, as shown in the graph below[17].

Source: Welsh Goverment, ONS

---

[16] TAN. 2017. Available at: https://www.tan.fr/fr/bonjour-la-tan
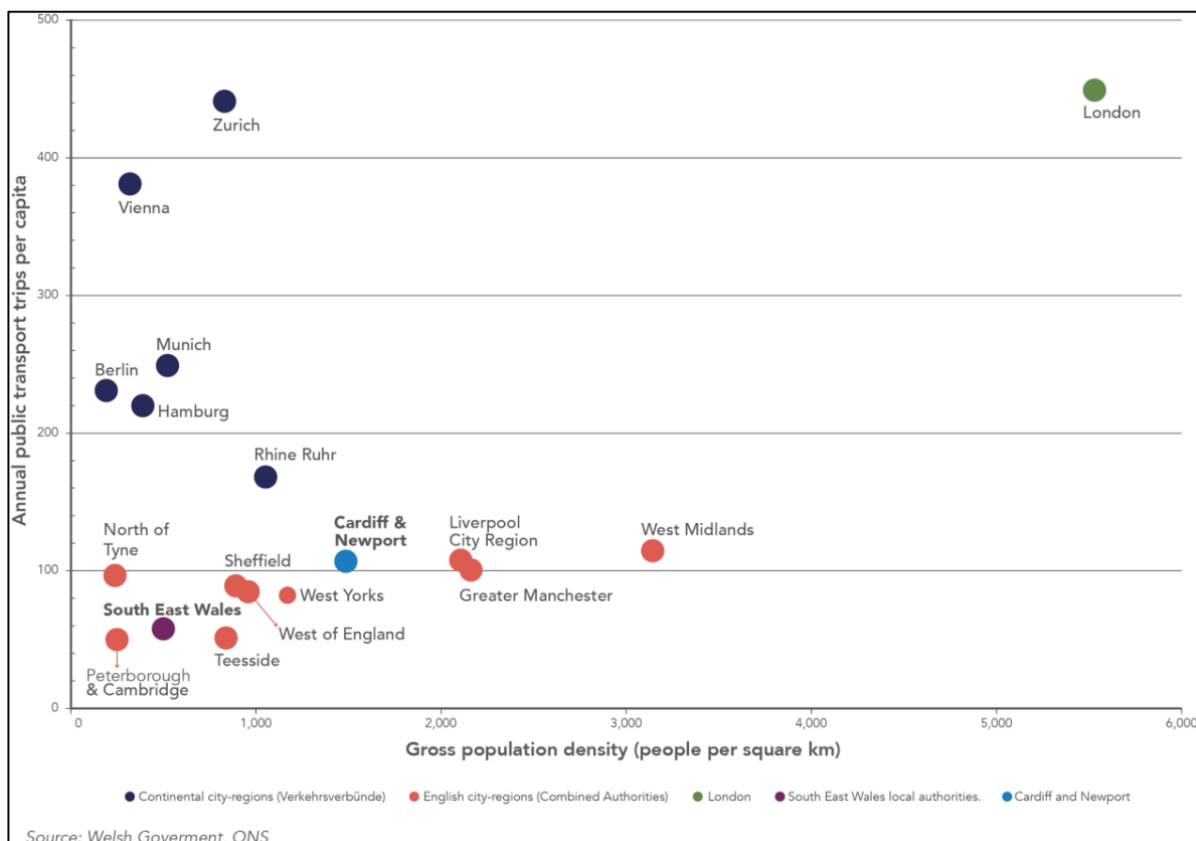
[17] Transport for Quality of Life. 2020. A Wales Transport Policy fit for the Climate Emergency

> **Trips per head for public transport in Wales ranks as the lowest in Europe**
>
> Benchmarking public transport use in Wales against other countries in Europe reveals the poor relative performance. Wales around 42 public transport trips per head in 2018, based on 101 million trips by bus[18] and 31 million trips by rail[19]. This is lower than the respective figures for all 29 European countries referenced in ridership data[20]. Statistics specific to Wales are hidden within the overall UK average of 118 trips per head per year, which is distorted by the significantly higher number of trips in London. Although, it must be recognised that comparison across countries is necessarily inexact due to different profiles of each country in respect of a range of factors which influence public transport use, such as regulatory and governance arrangements, population densities, demographics and economic characteristics.

1.2.2.3.   It is important to note that a high usage of buses will necessarily involve making it easy for passengers to transfer between service lines. This aspect of normalising transfer as part of journeys is (perhaps counterintuitively) a characteristic of a successful network operation. Although direct journeys are the most attractive to passengers, it is inevitable that the majority of origin-destination pairs in a region or city are not reachable by a single direct trip, and if made by public transport, would require at least one transfer. Therefore, it is essential that passengers are able to conveniently transfer between services to reach wider destinations.

1.2.2.4.   A rule of thumb based on published information[21] is that urban areas with a successful public transport mode share have an average of around 1.5 legs per journey – which would represent a typical range as follows:

- 50% of journeys are direct (0.5 x 1 leg);

- 45% of journeys have 1 transfer (0.45 x 2 leg); and

- 5% of journeys have ≥2 transfers (0.05 x 3 leg).

1.2.2.5.   The key aspect for people to adopt regular use of public transport as a lifestyle choice is the practicality of making two and three leg journeys – such that people who typically make direct local

---

[18] Department for Transport. 2021. BUS0108: Passenger journeys on local bus services by region: Great Britain, annual since 1970

[19] Welsh Government. 2018. Statistical Bulletin: Rail transport, April 2017 to March 2018

[20] UITP. 2018. European Countries Ridership Data

[21] Lunke at al. 2021. Public transport competitiveness vs. the car: impact of relative journey time and service attributes - This study identifies the average number of public transport transfers as 0.5 – with 38% of the trip segments with one transfer, while 52% were direct routes with no transfers.

journeys can <u>occasionally</u> make longer indirect journeys.

1.2.2.6. It should be recognised that developing best practice networks which are designed to be simple for the public to understand, is not a simple process and involves an overall governance arrangement that is capable of planning a complex 'system', comprising a number of components (routes, timetables, ticketing, driver rostering, vehicle type and capacity, vehicle logistics and maintenance, enforcement, infrastructure, and information), all of which need to be synchronised and co-ordinated to achieve successful passenger-facing outputs. The complexity of public transport systems is therefore a key challenge – and requires a systematic orchestration and governance effort to achieve optimal operations.

1.2.3. The Need for Bus Planning and Monitoring

1.2.3.1. Successful implementation and operation of any major transport scheme or system which addresses objectives of catering for demand, financial efficiency, and wider environmental and economic goals, requires detailed transport planning to be carried out by the relevant transport authority. Typical activities include analysis of travel demand, assignment modelling and capacity investigations, to decide whether to, for example, improve existing roads and junctions or build new infrastructure, or build new rail stations. It is apparent that planning bus networks and systems on a long-term basis, in terms of identifying problems, defining objectives, and generating and evaluating alternatives, has, since bus deregulation in 1985, not been a key feature of local authority Transport Plans in Wales (which have tended to focus on infrastructure measures such as stops, stations and bus priority measures). This gap in bus planning is a logical outcome of the limited role of local authorities in the deregulated bus system in respect of influencing and directing local bus-based policy and network matters.

1.2.3.2. International examples of approaches to bus delivery, such as in New Zealand's Public Transport Operating Model (PTOM), involve undertaking two distinct processes – of (a) Bus Planning; and (b) Bus Procurement. Bus planning is undertaken by local government and involves detailed transport planning to devise public transport solutions guided by policies for sustainable travel and economic objectives. This results in a network plan with routes, timetables, and ticketing/fares arrangements.

1.2.3.3. Bus procurement, on the other hand, involves translating the planned bus network into an operationalised service, which generally involves contracting operation of all or some service lines to bus operators, which would also include a method for performance monitoring and payment.

> **New Zealand Operating Model for Buses**
>
> The Public Transport Operating Model (PTOM) governs the way regional councils plan public transport services and purchase them from bus and ferry operators.
>
> Under PTOM, regional councils are responsible for providing public transport services. They make their own decisions about how those services operate (including routes, timetables, fares, ticketing etc).
>
> Regional Councils develop regional public transport plans, and then contract public transport operators to operate services.

1.2.3.4. Typical examples of successful regional and city public transport systems (in terms of high patronage) have a regional transport authority that is responsible for strategy and delivery of network shape (in terms of routes and frequencies), ticketing systems (including integration across all modes), and all information and branding. Operators are contracted to provide defined services (in terms of timetables and hours of operation) and are paid for delivery of services with payments made according to performance indices (including passenger growth). An example of long-term planning of public transport network which has led to high mode share is in Nantes.

> **Long-term Network Planning in Nantes**
>
> The tram and bus network in Nantes has been subject to a long-term plan[22]. The planning process has included:
>
> - Planning and implementation of three cross-city tram lines in the 1980s/90s
> - Planning of a fourth cross-city line, in the 2000s, followed by implementation as a bus rapid-transit (BRT)[23] line (Line 4)
> - A long-term, plan for incremental implementation of cross-city (Chronobus) services was developed, including bus priority measures – which were implemented in 2012-14.
> - Opening of a further cross-city BRT service (Line 5).

---

[22] Allen, H. 2013. Integrated Public Transport, Nantes, France

[23] Bus rapid transit (BRT) is an approach to designing bus corridors to have better capacity and reliability than a conventional bus system. Typically, as in the case of Nantes, a BRT system includes lanes that are dedicated to buses and provides priority to buses at junctions where they interact with other traffic. BRT systems also have design features to reduce delays caused by passengers boarding/alighting services or paying fares. BRT aims to combine the capacity and speed of a fixed route (e.g. light rail) with the flexibility, lower cost and simplicity of a bus system.

The outcome of long-term planning and incremental implementation has been a gradual increase in public transport use in Nantes over the last 20 years.

Co-ordinating of networks of services in Mittelsachsen

The transport authority for Mittelsachsen[24] region (in Germany) has a key strategic priority to maximise the linkage and co-ordination of modes of transport – including rail, tram, and bus modes (see images of logos below). The authority is also responsible for associated information and public communication.

The authority also manages introduction of complementary mobility services such as car-sharing, car clubs, and demand responsive buses.

In respect of linking modes of transport and transport, the authority also focuses on the development of mobility points and station infrastructure to improve the transfer experience.

1.2.3.5.   The ability of transport authorities to manage the overall public transport system is necessary to efficiently manage funding – by allocation of vehicle resource across the network in an arrangement which avoids unnecessary overlaps, ensures that there are regulated headways between different services on the same corridor, and allows some services to operate as feeders to core bus or rail interchanges. This is not the case in Wales, where each area typically has some overlap of services, uneven headways between buses on the same corridors, and very few examples of operation of feeder services to interchange points.

1.2.3.6.   Networks which are planned and procured by public authorities generally also undertake thorough monitoring and review to ensure that progress is continually measured in respect of patronage changes and passenger's satisfaction, for example:

- Monitoring performance of services based on an evidence-based approach covering demand, service delivery and customer feedback;

- Undertaking periodic reviews to ensure that services continue to reflect demand and customer expectations; and

---

[24] Zweckverband Verkehrsverbund Mittelsachsen (ZVMS). 2021. Local Traffic Plan 4th Update.

- Carrying out customer satisfaction surveys on a regular basis and analyse complaints (this year vs last year comparisons).

1.2.3.7.   It is concluded that planning, procurement and monitoring of bus services is a key aspect of long-term success in attracting passengers. Planning of services on a network basis also provides a means to create operational and financial efficiencies. At present in Wales, the fragmentation of responsibilities in the bus sector effectively precludes comprehensive long-term planning of bus networks, and severely inhibits the feasibility of implementing comprehensive network-based initiatives.

1.2.4.   Best Practice Success Factors

1.2.4.1.   The operation of the bus-based public transport service in Wales can be guided by a number of best practice success factors. These success factors are primarily passenger-focused and contribute towards achieving successful mode share and affordable operations:

- **Area-wide networks with all significant local destinations reachable:** A wide range of key destinations throughout a local area should be reachable in say 45 mins on high frequency bus services during the daytime (with transfers if necessary), and at off-peak times (including evenings and weekends) are reachable by good co-ordination of timings for lower frequency services.

- **One ticket system:** An exclusive ticket system for boarding all buses should be in place, with ticket enforcement automated (especially in urban areas) to allow for passengers to board quickly. It is important to note that operators' having their own ticketing offers alongside a multi-operator ticket is incompatible with the need for passengers to have a single easy-to-understand-and-use ticketing system.

- **Easy To Understand Network:** A public transport network that is inherently easy to understand and use is essential; that is, passengers should be able to understand and negotiate the network easily to reach different destinations. A benchmark for best practice is that a network that can be represented by a simple map, with each individual service shown as an end-to-end line (including in central areas – which in many current networks are unable to be shown clearly on maps due to route complexity).

- **One Brand:** A public transport brand should be present on all vehicles, stops and stations, information sources, and ticketing. This is important in creating a trusted brand which gives passengers confidence to travel frequently and on an ad-hoc basis. An example of this approach can be seen in Dublin's BusConnects initiative, in which the Transport for

Ireland (TFI) logo is shown on the Leap card multi-modal ticket, on bus stops, on the side of buses, and on information media such as online maps and journey planners.

- **Easy and Reliable Transfer:** High quality transfer conditions and arrangements (ticketing, timetables, connection guarantee) are needed to allow passengers to have confidence in relying on transfer to other services to make their journeys. There should be a unified timetable across all bus services and other modes of public transport. Supporting the concept of transfer in Germany includes providing travellers with an alternative means of transport if their public transport service is late and be reimbursed for the cost (e.g. in Nord Rhein Westfalen, the 'Connection Guarantee' [25] typically applies when the local buses or trams are cancelled or are at least 20 minutes behind schedule when leaving the departure stop).

- **Reliable Travel Times**: Journeys by public transport should have reasonable and consistent speeds. The speed of travel could be expressed as, for example a public transport/car travel time ratio of less than 1.5 (e.g. 45 minutes by bus, 30 minutes by car), or a bus speed of say 15 km/hour on urban routes.

- **Easy to Access the Vehicle**: Public transport vehicles should be easy to board by all passengers, including mobility impaired passengers, with immediate entry without a need to queue, and should allow people to easily carry baggage on and off and within the vehicle. This relies on multiple doors for buses operating on busy urban corridors – which is a standard feature of bus operations in typical bus networks in, for example, Germany[26], France, and generally in urban areas in Europe.

- **Accessible and Comfortable**: Stations and stops should be easy to reach, comfortable with good information, and provide all passengers with easy boarding and alighting of services. Vehicles should be comfortable, well equipped (Wi-Fi, real time information, air conditioning etc) and low crowding levels

- **Public Feedback and Customer Care**: The general public should be given regular opportunities to provide feedback and participate in network evolution

---

[25] VRS. 2021. Mobility Guarantee

[26] Rhein-Main-Vekehrsbund (RMV). 2019. Minimum Standards for Buses in RMV - which states that buses shall have at least two doors, including one double-wide door, and articulated buses shall have three doors, including two double-wide doors.

- **Passenger Safety, Security, and Health**: Passenger safety, security and health should be inherent in all aspects of people's experience of public transport, including roadside air quality and carbon emissions.

- **Network Efficiency and Financial Affordability**: Although this success factor is not directly customer-facing, it is important that service lines are optimised to limit inefficient overlap of services to maximise overall viability and financial affordability. This ensures that best use is made of available funding, and also addresses the need to make networks understandable. Financial affordability over the long-term will also be assisted by introduction of low emission technology and propulsion systems which have lower fuel costs than diesel-fuelled buses.

1.2.4.2.   These success factors can be encapsulated in Welsh Government's aim set out in the Bws Cymru strategy as 'One Network, One Timetable, One Ticket':

- Easy to access – by extensive networks and welcoming infrastructure and drivers;

- Easy to use – through simple ticketing and sensible routes; and

- Easy to navigate – with fully integrated journeys and clear information.

1.2.5.   Public transport as a lifestyle choice

1.2.5.1.   Data from countries with high public transport and sustainable travel mode shares shows that people in cities with joined up networks with single ticket travel are willing to adopt a 'lifestyle choice' to use public transport for much of their weekly journeys. This is dependent on destinations across their local area being practically reachable by public transport – and hence is only achievable with a 'network' approach to planning and operating of services.

1.2.5.2.   Travel data for Germany underlines the multi-modal lifestyle nature of people's travel behaviour. For example:

- In medium-sized cities in rural areas of Germany[27], 6% of people are termed as 'multiple mode users' (who use car, bicycle and public transport modes at least weekly), compared to 4% who use public transport daily or weekly (and other modes more rarely), along with 12% of people using bicycles daily or weekly and all other modes more rarely.

---

[27] Federal Ministry of Transport and Digital Infrastructure. 2019. Mobility Trends in Germany

1.2.5.3.   This car-free, multi-modal lifestyle confirms that high use of cycling and public transport are mutually supportive - with travellers relying on different sustainable modes according to their daily needs (including weather impacts). Hence, increasing the rate of sustainable travel in Wales will require co-ordinated investment and governance of improvements to bus, rail and active travel. Costs and funding for single-mode measures will need to consider mutual interactions across sustainable modes. For example, success in growing cycle use in an area may in the short-term result in some abstraction from bus travel but in the long-term should help to increase bus use. Hence, policy and planning for buses needs to carefully consider the role of active travel and new mobility solutions – such that investment in the range of sustainable modes are planned within a co-ordinated governance and funding structure with an aim to increase the proportion of sustainable travel, rather than treating each mode as if their users are a discrete group of people.

1.3.   Options to Address the Policy Problem

1.3.1.   Option 1: Business as Usual

1.3.1.1.   Business as usual is based on buses being operated as either commercial services, with operators planning the networks and receiving concessionary fare reimbursement and BSSG, or as non-commercial services, set up through tendering by local authorities with the operator typically taking all fare income i.e. as a net cost contract.

1.3.1.2.   Under this option, Welsh Government would be required to maintain a high level of poorly directed subsidy as it has done throughout the period of COVID lockdown, continuing over an unknown but possibly extended period since bus use is, at best, likely to continue below pre-COVID levels for some time. In fact, bus patronage would quite possibly show a long-term depression due to permanently increased working from home until there is significant investment to attract more patronage through better service provision. Given that Welsh Government has an ambition to invest in sustainable transport to meet mode shift and carbon targets, the significant additional subsidy required in a business-as-usual scenario is not considered good value for money.

1.3.2.   Option 2: Statutory Partnerships

1.3.2.1.   A partnership is an agreement between a local authority and local bus operators to work together to improve local bus services. Putting in place a statutory obligation to implement partnerships across Wales in order to continue to be eligible for bus operating revenue support would represent an incremental approach, encouraging more cooperative approaches between local authorities

and operators. Although 'statutory' the involvement of operators would necessarily be voluntary, in that they could only be signed up to partnership arrangements to which they agreed the content, terms and conditions.

1.3.2.2.   Similar provision currently exists in England, with the UK Government's Bus Back Better strategy outlining the expectation for Local Transport Authorities to establish Enhanced Partnerships across their entire areas under the Bus Services Act 2017, and all operators to co-operate throughout the process. New discretionary forms of bus funding in England will only be available to services operated, or measures taken, under an Enhanced Partnership has been made (or where a franchising scheme has been made – see para below).

1.3.2.3.   Partnerships set out agreements over a range of bus service components and the actions needed from the local authority and operators for each item, which could include:

- Vehicle specifications;

- Branding;

- Passenger payment methods;

- Ticketing structure;

- Real-time information requirements;

- Frequency of service; and

- Timetables.

1.3.3.   Option 3: Franchising

1.3.3.1.   Franchising is a system where franchisors plan a coordinated network, ticketing and timetable and award the exclusive right to run a bus route or routes to the most competitive bidders. Under a franchising model, bus networks in Wales would be designed and controlled by a single 'guiding mind' authority with powers to design and deliver bus services to maximise coverage and service level achievable within available public resources.

1.3.3.2.   Under franchising, a local authority would specify the provision of bus services. Private companies operate services under a contract secured following a competitive tendering process. Other operators may not register other routes within the franchised area, providing exclusivity for the winning bidder. Franchising of bus services would give local authorities control over:

- Where bus services run and when (i.e. the network, hours of operation and timetables)

- Types of ticket available (including discounts for passengers as required)

- Fares and methods of payment which must be accepted (including smart and contactless)

- What information is available to passengers; and

- Vehicle specification (including branding, emissions standards and technologies).

1.3.3.3. The guiding mind could ensure that there are bus-to-rail connections and bus-to-bus connections, with an integrated timetable and with tickets that are easy-to-use and valid right across the transport network. This outcome is sometimes referred to as 'One network, one timetable, one ticket'.

1.3.3.4. Franchising legislation would not generally define the precise operational approach to franchising, recognising that different approaches to franchising may be appropriate to different parts of Wales. For example, route-by-route franchising or franchising of small batches of routes is likely to be a more suitable approach to ensure that SME operators can participate in the franchising procurement market.

1.3.3.5. The required timescale for development and implementation of franchising schemes will be specified in the Bill. It is recognised that some flexibility will be valuable to enable 'bridging' contractual arrangements to span the period between the termination of Coronavirus emergency bus support funding and the start of franchising, and that contractual continuity to minimise commercial risk would be beneficial.

2. Costs and Benefits

2.1.   Methodology

2.1.1.   Modelling Costs and Benefits

2.1.1.1.   The economic assessment model utilised for this RIA uses demographic data, bus passenger statistics, and financial statistics for the three network examples (and for the whole of Wales), available from Government sources. Costs and benefits have been assessed for the three types of Welsh network (major urban, town urban and rural), which have then been extrapolated on a pro-rata basis to an all-Wales level according to the annual bus mileage figures

2.1.1.2.   A key guiding principle for demand modelling and economic assessment is proportionality, which refers to striking a balance between the level of detail and the cost of the modelling, considering factors such as the required functionality, data availability, and robustness and resource and time constraints. It was not considered proportional to assess every network in Wales in detail. For the economic and patronage assessment, three example network plans (Cardiff, Pembrokeshire and Wrexham) provide case studies upon which to assess impacts. The results from this analysis give an indication of the economic impacts in other Welsh local authorities, and extrapolation to an all-Wales level on a pro-rata basis using bus vehicle-km. The example networks represent the following types of locations in Wales:

- a large urban bus network (Cardiff);

- a rural / inter-urban network (Pembrokeshire); and

- a smaller urban / town network (Wrexham).

2.1.1.3.   Costs have been estimated for initial set-up activities by the Welsh Government, Transport for Wales, local authorities (LAs) and operators. The Welsh Government favours the transfer of responsibilities for some bus functions and related transport matters from local authorities to Corporate Joint Committees (CJCs). However no assessment of which functions would be transferred has been made for this RIA. As such, references to local authorities should be treated as LAs and/or CJCs depending on which body would have responsibility for the relevant function under the future operating model for bus in Wales. It is also possible that some of the functions referred to as LA functions will be centrally undertaken by Welsh Government or by Transport for Wales acting on their behalf. However it is considered that the cost allocations and calculations in this document are robust as a cautious (i.e. high) assessment since they factor in no savings from LA functions being centralised to

concentrate expertise and achieve economies of scale. Annual recurrent costs have been estimated for local authorities, operators and bus users, as have revenue and economic benefits.

2.1.1.4.   Estimates of set-up and recurrent costs have been developed using the professional judgement and experience of Welsh Government officials, Transport for Wales and transport consultants commissioned to support the preparation of this RIA and are necessarily indicative at this stage. Where relevant, estimates have been cross-checked by equating the costs to an approximate equivalent Full Time Equivalent (FTE) staff resource, and references have been made from published documentation where appropriate. Additionally, cost estimates were previously discussed with stakeholders across the bus industry in Wales as part of the development of the Explanatory Memorandum for the Public Transport (Wales) Bill in 2019 and have been updated to reflect the currently proposed legislation where relevant. It is noted that the costs identified represent add-on costs over and above present costs. The basis and build-up of costs is described further in Appendix 1.

2.1.1.5.   The primary mechanism through which bus improvements are translated into higher demand and benefits for users is through adjustments to the actual or perceived cost of travel. An industry-standard approach has been taken to estimating benefits, drawing on the UK Government's WebTAG transport guidance, which is referred to within WelTAG, and provides detailed guidance on technical aspects of transport economic appraisal[28]. The RIA economic assessment model considers estimates of the impact of the interventions for each option on bus patronage, based on calculating the Generalised Journey Time benefits of each relevant change. Appendix 2 provides a description of the methodology for economic assessment and build-up of benefits.

2.1.1.6.   Appendix 2 also describes steps that have been taken to ensure that general principles set out in the Green Book have been applied in a way that is fully aligned with the values and strategic transport objectives of the Welsh Government. Adjustments to the modelling are applied consistently across all scenarios. A full set of adjusted

---

[28] Welsh Transport Appraisal Guidance (WelTAG) is a framework for considering proposed changes to the transport system in Wales. It contains best practice for the development, appraisal and evaluation of proposed transport interventions. WelTAG cross refers to the Department for Transport's WebTAG for UK Government transport analysis guidance where appropriate. WebTAG contains detailed technical advice on transport modelling which has been utilised for this RIA, alongside guidance on economic modelling is set out in the Green Book, issued by HM Treasury. Use of these guidance set out in these documents has been supplemented by consultation with Welsh Government economists, to ensure this RIA is fully aligned with the values and strategic transport objectives of the Welsh Government.

and unadjusted values (with standard Green Book rates) is included for all scenarios in Appendix 3 for comparison.

2.1.1.7.   The costs and benefits estimates presented in this RIA should not be considered as suitable for comparison with the Explanatory Memorandum prepared for the previous draft bus legislation, which also considered franchising and partnerships. More detailed analysis of potential changes to bus networks has been undertaken to inform this version of the RIA and various cost and benefits assumptions have been amended to reflect latest plans for bus reform in Wales. In addition, a 30-year appraisal period is used for this version, which is longer than the 15-year appraisal period used previously.

2.1.2.   Assessment Scenarios

2.1.2.1.   The Welsh Government has historically provided funding to local authorities to invest in bus infrastructure (for example, bus stops, bus interchanges, bus lanes). The introduction of legislation for improving the regulatory environment for buses in Wales does not necessarily require local authorities to commit to new bus infrastructure. In practice, and given Welsh Government's aspirations around net-zero, it is likely that implementation of the legislative measures would include a range of supporting investment in transport infrastructure and policy measures.

2.1.2.2.   Costs and benefits for statutory partnerships and franchising have thus each been assessed under two scenarios, namely:

- Partnerships;
- Partnerships Plus+;
- Franchising; and
- Franchising Plus+.

2.1.2.3.   The first scenario in each of these pairs represents a notional scenario in which non-legislative measures, such as bus stop improvements, bus stations, bus priority measures, are not included as they are not directly required or affected by the legislation. These scenarios are referred to simply as 'Partnerships' and 'Franchising'.

2.1.2.4.   The legislative proposals can be considered as enabling measures, which provide an enhanced ability to lock in benefits of wider, and potentially substantial, investments in measures such as on-street or bus station infrastructure and bus priority measures. The second set of scenarios consider the inclusion of these measures, which are likely to produce significant benefits and patronage increases at a scale higher than the legislative proposals themselves. These scenarios are referred to as 'Statutory Partnerships Plus+' and 'Franchising Plus+'.

2.1.2.5.   Should a local authority decide to bring forward proposals for

improving bus infrastructure to complement changes to the network as a result of the legislative proposals, the decision to proceed would be informed by detailed assessments of the implications of the proposal, which would include a full financial assessment and cost benefit analysis.

2.1.3. Timeframes

2.1.3.1.   It is assumed the earliest the Bill would receive Royal Assent would be in January 2024, subject to the will of the Assembly. Following Royal Assent, the current working assumption is that the subordinate legislation to implement the Bill would not come into force before April 2024. The economic assessment modelling covers a 30-year appraisal period from 2024/25 to 2054/55 to ensure the evaluation of costs and benefits is made over the medium term.

2.1.3.2.   In line with HM Treasury Green Book guidance, the majority of future costs and benefits have been discounted using the Treasury's central discount rate of 3.5%[29]. The Green Book provides scope for appraisals to use lower discount rates in appropriate cases to ensure that very long-term costs and benefits are given proper consideration. In order to reflect Welsh Government's long-term view and consideration of the impact of policy decisions on future generations rather than a focus on short term impacts, a lower discount rate of 1.5% has been applied in the appraisal to benefits associated with health, well-being, and the environment, as described in Appendix 2.

2.1.3.3.   Making a prediction of exactly what may happen to bus patronage in the next 30+ years is complicated as there are many factors to consider. Some of the factors that influence travel behaviours and patterns include growth rates in the economy and employment, commuting patterns, changes in shopping and leisure habits, growth in home deliveries, rates of car ownership, car parking provision and cost, demographic changes, journey time reliability and fuel prices. The assessments in this RIA are necessarily outline in nature, and local authorities will need to carry out bespoke investigations for their local area prior to carrying out changes to the way buses are operated.

2.2.   Option 1: Business as Usual

2.2.1.   Costs of Option 1: Business as Usual

2.2.1.1.   Under this option Welsh Government would be required to continue to provide high levels of support just to sustain bus

---

[29] HM Treasury. 2020. The Green Book: central government guidance on appraisal and evaluation

services, as it has with emergency support throughout the period of COVID when there has been lockdown or guidance to the public to avoid public transport where possible. This support would probably be required for an extended period since there are indications that high levels of working from home may continue, some bus users may have permanently switched to other modes, and thus it is not evident when demand may return to pre-COVID levels (or, more precisely, the pre-Covid trajectory of gradual decline).

2.2.1.2.　Given the decline in bus patronage in recent years, it is fair to conclude that without action passenger numbers will continue to decline, which would have cost implications. Prior to the impacts of the COVID-19 pandemic, the UK Department for Transport estimated that Welsh bus patronage will fall by around 13% between 2018/19 and 2054/55 (around 0.4% per annum)[30].

2.2.1.3.　Currently, 77% of the c.99 million kilometres of bus trips in Wales each year are on services that operators provide commercially[31]. The decline in bus patronage is likely to lead to a reduction in the commercial viability of many services. The potential cost implication of this decline is that more public sector funding would potentially be needed to support the network and maintain socially necessary services. It is difficult to predict how many bus services operators are likely to decide to stop providing, and of those services, how many local authorities would decide to subsidise, if any.

2.2.1.4.　Given the prevailing financial situation and pressures, it is unlikely that more public funding to merely support services at the status quo would be available. This would mean that the provision of bus services would continue to reduce. This could lead to increased reliance on the private car and subsequent negative impacts on congestion and the environment.

2.2.2.　Benefits of Option 1: Business as Usual

2.2.2.1.　Maintaining the status quo is likely to result in the continued decline in patronage placing greater pressure on local authorities and bus operators to review networks with a risk of service withdrawals. This option is the baseline for assessment of the legislative options and hence the costs and benefits of those options are calculated in terms of the change from the business-as-usual

[30] Department for Transport. 2016. NTEM data release notes and frequently asked questions. NTEM National Trip End Model (NTEM) bus use projections are presented in a software package called TEMPro. The data in NTEM is not based on observations or fare data but is derived from Census data and forecast patterns of population and employment.

[31] StatsWales. 2021. Vehicle kilometres and passenger journeys on buses and coaches by year

costs.

2.2.2.2.	There would be a possible dis-benefit in that the decline in availability of services could also lead to an increase in social isolation and limited access to employment opportunities, where people are left with few alternatives for getting around and therefore cease to take trips they previously would have done.

### 2.2.3.	Summary of Costs and Benefits of Option 1: Business as Usual

2.2.3.1.	The short-term emergency funding for bus services is not considered an appropriate or financially sustainable situation for Welsh Government in the long-term. Neither is reducing subsidy to pre-COVID levels (and thus impacting level of service) consistent with wider policy and requirement to grow demand for bus services to address the climate emergency. Welsh Government intervention is required to achieve the necessary radically different outcomes for bus.

2.2.3.2.	This option is used in order to calculate a baseline for assessment of the legislative options, but that should not be taken to imply that it is considered a realistic option as the basis of future policy.

## 2.3.	Option 2: Statutory Partnerships

### 2.3.1.	Costs of Option 2: Statutory Partnerships

2.3.1.1.	Welsh Government could mandate that all bus services within a local authority area must come under a Statutory Partnership, agreed between the local authority and local bus operators. The decision to proceed with proposals for a partnership would be informed by detailed assessments of the implications, which would include a full financial assessment and cost benefit analysis.

2.3.1.2.	Considerations by local authorities and CJCs on implementing a partnership would be assisted by availability of detailed regulations and guidance on the types of measures available and any legal considerations (for example, competition issues). It is assumed that the Welsh Government would produce regulations and guidance on partnerships, and it is estimated that the cost would be approximately £100k.

2.3.1.3.	It is assumed that Welsh Government would make capital funding available for upgrades to depots to support charging/re-fuelling of low-emission vehicles in line with Net-Zero Wales aspirations as part of partnership agreements. The capital costs per local authority are estimated to be £0.5m for a rural network, £1m for a town urban network, and £1.5m for a major urban network.

2.3.1.4.	Local authorities would incur costs in developing a partnership

through gathering information, analysing the bus market, holding and attending meetings with bus operators, seeking legal guidance and following the procedural steps for developing and making a partnership. This could include the use of consultants. The costs per local authority are estimated to be £60k for a rural network, £90k for a town urban network, and £120k for a major urban network[32]. Partnerships would need to be revised at various stages, for example when a new operator enters a local market or when new development requires changes to bus services. An assumption has been made that significant revision to partnerships would be required every five years, with costs to LAs at 50% of the original set up costs.

2.3.1.5.   Patronage uplifts are estimated for partnerships, which would result in higher payments to operators for concessionary reimbursement. This would be an additional annual revenue cost to the Welsh Government.

2.3.1.6.   Bus operators would also incur costs in setting up a partnership - attending meetings with local authorities, seeking specialist legal advice and reaching an agreement with local authorities for a partnership. The additional costs per bus operator is estimated to be £50k for a rural network, £75k for a town urban network, and £100k for a major urban network. For modelling purposes it is assumed that there are two operators in each partnership on average, and hence operator set up costs per local authority area will range from £100k to £200k. Whilst there is likely to be more than two operators operating within each LA, even in rural parts of Wales, partnership agreements would probably be cross-border, and negotiations would be made with multiple LAs at the same time. Operators which solely operate S63 contracted services would not need to be involved in additional negotiations, which are expected to be comparable with existing arrangements without requiring any additional resources. Bus companies already have discussions with local authorities on issues such as timetables and scheduling and other aspects (e.g. information) of their bus operations. A partnership will formalise discussions on these aspects with local authorities, with a need for more formalised meetings and consultations, and consideration of measures and intended outcomes. For example, operators may agree as part of a partnership deal with local authorities that looks to improve customer service standards to send all drivers and passenger-facing staff on customer care training. All of these costs are new costs for operators. It has been assumed that an additional level of resource (at 50% of the initial transition cost) would be required every five years to negotiate new partnerships, or

<hr>

[32] A summary of cost assumptions is provided in Appendix 1.

significant revisions to existing partnerships.

2.3.1.7.   An allowance of £250k recurring costs has been made to account for strategic programme management, monitoring of partnerships and back-office ticketing and financial monitoring support for multi-operator ticketing. This is equivalent of one FTE per region (four in total).

2.3.1.8.   The management of a partnership will require ongoing resource requirements for local authorities to administer and monitor the plan, including stakeholder meetings and handling issues such as complaint resolutions. Depending on the scale of the partnership, this could be up to the equivalent of up to ½ FTE per year, with costs of £15k per year for a rural network, £20k per year for a town urban network, and £25k per year for a major urban network. A similar annual cost is assumed for bus operators.

2.3.1.9.   For modelling purposes, it is assumed that costs for low emission buses are phased in, resulting in 100% of the service bus fleet to be zero emission by 2040. Additional lease costs for low emission vehicles are included within operator recurring costs. These additional costs are offset somewhat by cheaper running costs of electric buses compared to diesel.

2.3.1.10.   Partnerships could include agreements on pay and conditions in line with Welsh Government's intent for a policy of fair pay for bus workers. It is also assumed that driver's hourly salary would increase to £11.94 under a statutory partnership model, representing a 5% increase on baseline of £11.3733. As pay conditions would need to be negotiated as part of the partnership, it may not be possible to agree this policy with all operators.

2.3.1.11.   All of the above estimated costs are summarised at a Wales level in Table 1. A further breakdown of costs and benefits is provided in Appendix 3.

---

[33] Office for National Statistics. 2021. Earnings and hours worked - ASHE Table 3: Transport and mobile machine drivers and operatives

Table 1: Estimated Costs for Statutory Partnerships

Item	WG/TfW	LA/CJCs	Operators	Users	**Total**
Capital Costs	£23.5 M	-	-	-	£23.5 M
Transitional Costs	£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs	£110.0 M	£13.8 M	£13.8 M	-	£137.7 M
Total Costs	**£133.7 M**	**£21.8 M**	**£27.1 M**	**-**	**£182.6 M**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.3.2. Benefits of Option 2: Statutory Partnerships

2.3.2.1. The benefits of an effective partnership could include a more efficient bus network, improved operating viability for bus operators and improved services for passengers along with potential for increased patronage. For example, if partnerships were established that resulted in coordinated timetables, common ticketing arrangements (noting limitations on the ability for partnerships to set common single fares and operators' own multi-journey tickets), and better information, then buses in that area would become more attractive as a means of transport. This in turn is likely to increase bus patronage resulting in financial benefits for the bus operators in the partnership.

2.3.2.2. Modelling of benefits for Partnerships, for a best-case scenario where all measures such as coordinated timetables, common ticketing arrangements, and better information are put in place at the same time (see Appendix 2), shows an estimated patronage increase of 9% in major urban; 6% in town; and 9% in rural networks in 2040, based on examination of case study networks in Cardiff, Wrexham and Pembrokeshire. This estimate is for the benefits arising from the legislation alone and does not account for additional investment.

2.3.2.3. It is estimated that there would be a significant economic benefit to users. The actual benefits for bus users would depend on what requirements are included in a partnership. It could include fare simplification, improved journey times, easier to understand bus routes and timetables and services at more convenient times. There could also be health and environmental benefits arising from modal shift. Whilst these generally are not 'pure cash' benefits (such as increased fare box revenue) they will have a positive impact on local and national policies. These include reduced congestion, improved access to employment and services, improved air quality, increased

levels of resident satisfaction and increased footfall at key economic centres.

2.3.2.4. A summary of the estimated financial and economic benefits of partnerships is set out in Table 2, with a further breakdown provided in Appendix 3.

Table 2: Estimated Benefits for Statutory Partnerships

Item	WG/TfW	LA/CJCs	Operators	Users	**Total**
Financial Benefits	-	-	£22.3 M	-	£22.3 M
Economic Benefits	-	-	-	£1,880.1 M	£1,880.1 M
Total Benefits	**-**	**-**	**£22.3 M**	**£1,880.1 M**	**£1,902.4 M**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.3.3. Summary of Costs and Benefits of Option 2: Statutory Partnerships

2.3.3.1. Modelling of the costs and benefits impact of partnerships indicates that overall economic benefits would outweigh costs, as shown in Table 3. This is driven principally by the user benefits. Partnerships in major urban areas, town urban, and rural areas will necessarily have different characteristics, and local authorities will need to carefully consider their aims in terms of patronage, social inclusion and catchments – as well as wider policy and economic objectives – when developing partnerships.

Table 3: Summary of Costs and Benefits of Statutory Partnerships

Item	WG/TfW	LA/CJCs	Operators	Users	**Total**
Total Costs	£133.7 M	£21.8 M	£27.1 M	-	£182.6 M
Total Benefits	-	-	£22.3 M	£1,880.1 M	£1,902.4 M
Net Present Value	**-£133.7 M**	**-£21.8 M**	**-£4.9 M**	**£1,880.1 M**	**£1,719.7 M**
BCR	**-**	**-**	**-**	**-**	**10.4**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.3.4. Costs and Benefits of Statutory Partnership Plus+ Scenario

2.3.4.1. Estimates of costs and benefits relating to partnerships have so far been based on those arising from the legislation alone, and do not account for additional investment. In practice, and given Welsh Government's aspirations around net-zero, it is likely that

37

implementation of partnerships would include a range of supporting investment in transport infrastructure and policy measures. The legislative proposals can be considered as enabling measures, which provide an enhanced ability to lock in benefits of wider, and potentially substantial, investments in measures such as on-street or bus station infrastructure and bus priority measures.

2.3.4.2.   As set out in Appendix 2, a high growth bus patronage scenario is considered, consistent with meeting the mode share target of 45% of journeys to be made by public transport, walking and cycling by 2040 as set out in Llwybr Newydd. Achievement of this outcome will rely on rapid and complete reform of bus governance in Wales, to enable efficient investment in buses, and design of bus networks and supporting infrastructure to work as complete networks to give the best possible service coverage, working in conjunction with heavy rail and tram services.

2.3.4.3.   In addition to the cost assumptions previously set out for partnerships, the Statutory Partnerships Plus+ scenario considers a capital spend of £3bn (2020 prices) for bus infrastructure improvements to 2040, (equivalent to around £165m per annum), associated infrastructure maintenance costs, and an additional £50m (2020 prices) revenue funding per annum for improved frequency of services, and expansion of the geographical reach of the bus network.

2.3.4.4.   These capital costs are based on analysis of potential improvements to bus infrastructure in the case study networks, including bus priority measures, bus stops, transfer hubs, station improvements, improved integration with rail and Metro networks and measures to improve information, branding and marketing. Whilst a detailed assessment of the exact spend has not been made, it is likely that a more significant proportion of the spend would be made in Major Urban and Town network areas where congestion and bus stop density are highest. Revenue funding would be focussed on bus service improvements in Rural and Town areas of Wales. Additional revenue could support increased frequency and expansion of scheduled bus services and Fflecsi Demand Responsive Transport (DRT) services – consistent with the ambition of serving *'every village, every hour'*.

2.3.4.5.   It should be noted that this is a speculative representation of future bus patronage growth, consistent with Welsh Government transport policy and addressing the climate emergency. It is not intended to represent a forecast and is not directly linked to specific individual infrastructure measures in the economic assessment. Instead, it is an illustrative example of how significant investment in bus could translate into higher mode share. To achieve these levels of public transport use there will also need to be determined

investment in active travel and accompanying policies to deter car use to support car-light lifestyles.

2.3.4.6.   Should a local authority decide to bring forward proposals for improving bus infrastructure to complement changes to the network as a result of the legislative proposals, the decision to proceed would be informed by detailed assessments of the implications of the proposal, which would include a full financial assessment and cost benefit analysis.

2.3.4.7.   Table 4 presents a summary of costs and benefits in the Statutory Partnerships Plus+ scenario. The summary identifies that, under a high bus patronage growth scenario consistent with mode share targets in Llwybr Newydd be realised, the benefits would outweigh costs of significant investment in infrastructure and increased services under a partnership approach, with a BCR of 1.4.

2.3.4.8.   Should a local authority decide to bring forward proposals for improving bus infrastructure to complement changes to the network as a result of the legislative proposals, the decision to proceed would be informed by detailed assessments of the implications of the proposal, which would include a full financial assessment and cost benefit analysis.

Table 4: Summary of Costs and Benefits of Statutory Partnerships Plus+

Item	WG/TfW	LA/CJCs	Operators	Users	Total
Capital Costs	£3,422.8 M	-	-	-	£3,422.8 M
Transitional Costs	£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs	-£1,633.9 M	£2,352.6 M	£13.8 M	-	£732.5 M
Total Costs	**£1,789.1 M**	**£2,360.6 M**	**£27.1 M**	**-**	**£4,176.8 M**
Financial Benefits	-	-	£18.4 M	-	£18.4 M
Economic Benefits	-	-	-	£5,963.2 M	£5,963.2 M
Total Benefits	**-**	**-**	**£18.4 M**	**£5,963.2 M**	**£5,981.5 M**
Net Present Value	**-£1,789.1 M**	**-£2,360.6 M**	**-£8.8 M**	**£5,963.2 M**	**£1,804.7 M**
BCR	**-**	**-**	**-**	**-**	**1.4**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.4.   Option 3: Franchising

2.4.1.   Costs of Option 3: Franchising

2.4.1.1.   A franchise enables a franchising authority to issue a contract or number of contracts to run all bus services in a particular area. Franchising powers could be used to implement a very wide range of models from a specific corridor to a whole local network which could cover most of a local authority area, or even more than one local authority area. It is assumed that franchising would be carried out on a 'gross cost' contract basis, with the local authority retaining the revenue and therefore being able to choose how to deploy fare box revenue most effectively, but also thereby carrying the financial risk from future revenue fluctuation (as opposed to 'net-cost' contracts where the operator/s retain the revenue and financial risks).

2.4.1.2.   Bus franchising has not been implemented in the UK outside of London, making it difficult to estimate the costs of franchising based on directly comparable evidence. A wide range of cost estimates resulted from engagement and consultation with bus operators. There is potential for economies of scale with implementing franchising, both on the cost side, but also in developing schemes which capture benefits across local authority boundaries. For example, local authorities may decide to combine resources to franchise across a larger area, which could result in savings in terms of staff resources and consultancy/legal support. Having considered the evidence, we consider our cost assumptions to represent a cautious conservative estimate. There would be a cost to the Welsh Government in developing and issuing regulations and guidance for local authorities and CJCs on franchising. Guidance will be needed on the basis on which franchising is put into action, covering the various options around structuring contracted services within franchised networks and indicating which are preferable. Guidance will also likely be issued in relation to procurement of contracts and contractual content to ensure provision of social value and to create appropriate incentivisation. A set-up cost of £1m is included.

2.4.1.3.   The Welsh Government may also consider that the most efficient approach, should local authorities decide to undertake a franchise, may be to provide support to tackle issues, such as franchise configuration, procurement, and guidance on contract management, implementation, transition, governance and compliance, at a strategic level. An allowance of £5m-£8m has been made for Welsh Government support to address these potential additional set-up issues.

2.4.1.4.   It is assumed that Welsh Government would make capital funding available for upgrades to depots to support charging/re-

fuelling of low-emission vehicles in line with Net-Zero Wales aspirations as part of franchising arrangements. The capital costs per local authority are estimated to be £0.5m for a rural network, £1m for a town urban network, and £1.5m for a major urban network.

2.4.1.5.   The costs to local authorities of setting up an individual franchise across their areas could also be considerable, but would depend on the content, scale and scope of the franchise. When introducing franchising for the first time, local authorities would incur costs on a range of processes to prepare for implementation.

2.4.1.6.   The costs to local authorities in setting up a bus franchise would vary significantly across Wales. For example, the net costs are likely to be lower in some of the rural local authorities, where a significant proportion of bus services are already tendered and contracted through Section 63 (Transport Act 1985) contracts. The costs are expected to range from £500k -£1m in rural network areas, £1m - £2m in town urban network areas and between £2m - £5m for complex commercial networks in major urban areas, where there may be very few subsidised services. It may also be the case that, after some initial franchises in Wales have been successfully delivered, the learning experience will enable future franchising costs for other local authorities to be proportionately less.

2.4.1.7.   The costs to operators for competing/tendering for franchising is estimated to be between £250k, £500k and £1m (for rural, town urban and urban networks respectively) assuming four tenders are received[34]. It will be important that local authorities provide high quality information and data on existing bus performance (for example, bus speeds and patronage) to bidders such that the prospective operators do not need to spend resources on investigating current bus network characteristics and developing their own database.

2.4.1.8.   Once franchise contracts are introduced, they would be retendered at specific times – and it would be expected that contracts would run for a period of up to ten years to achieve a degree of network stability and optimum contract price and cost recovery from investment in new vehicles (although initial contracts in Wales may be for less time with options for extension). For this RIA it is assumed that franchises would be retendered every ten years. It is assumed that operator costs for bidding for the second franchise will be half the cost of the first round as there will be more data provided to operators on operational details (such as

---

[34] A summary of cost assumptions is provided in Appendix 1.

operational characteristics, costs and patronage of the bus network).

2.4.1.9. An allowance of £500k recurring costs has been made to account for strategic programme management, monitoring of franchising and back-office ticketing and financial monitoring support for multi-operator ticketing. This is equivalent of two FTE per region (eight in total).

2.4.1.10. Local authorities would incur ongoing costs for franchising. They would need to monitor performance of the operators over the duration of the contracts and deal with complaints etc. Many local authorities already perform these functions for their subsidised services. There are likely to be additional requirements, particularly if the form of contract moves from a net cost to gross cost contract. The requirements will vary depending on the scope of the franchise and the proportion of Section 63 contracts already being managed by the local authority. It is estimated that the administrative costs per local authority could be between £50K to £225k per year for additional resources required to monitor performance, manage contracts and reconcile accounts. For future franchises, with a franchised bus network and associated contractual and organisational aspects already in place, and the potential to stagger the timing of franchise tenders, it is assumed that re-franchising will be undertaken by local authorities within the scope of these recurring costs.

2.4.1.11. Costs associated with acquisition of a fleet by a successful tenderer (either by buying or leasing) have not been included as it is assumed that such costs are included in the normal amortisation of 'capital' costs of vehicles into the annualised operational costs for a bus fleet. For modelling purposes, it is assumed that costs for low emission buses are phased in, resulting in 100% of the service bus fleet to be zero emission by 2035 in line with Net-Zero Wales targets. Additional lease costs would be offset somewhat by cheaper running costs of electric buses compared to diesel.

2.4.1.12. Contractual terms on pay and conditions could form part of franchising contracts. It is assumed that Welsh Government would intend to have a policy of fair pay for bus workers to prevent franchising driving down pay and conditions. It is assumed that driver's hourly salary would increase to £12.22 under a franchising model, representing a 7.5% increase on baseline of £11.37[35].

2.4.1.13. Costs of depots for bus operators have not been included in the franchise costs assessment as an add-on item, on the basis that operators bidding will need to include their depot cost overheads in

---

[35] Office for National Statistics. 2021. Earnings and hours worked - ASHE Table 3: Transport and mobile machine drivers and operatives

the operational costs (as would be the case now for existing operators). It is acknowledged that depot costs could influence overall bus operator costs, and that new entrants seeking to win a franchise tender may need to purchase a depot, and the arrangements for depot ownership (or leasing) will need to be addressed within the local authority's planning for franchising.

2.4.1.14.   There will be higher administrative costs for the operator franchisee reporting data to the local authority, but these higher costs are assumed to be offset against efficiencies the franchisee would gain by being the sole provider of services in the franchise area for the duration of the contract.

2.4.1.15.   When an operator is unsuccessful in bidding for a franchise, they would no longer be able to run services in that section of the market, which would impact on their revenue or potentially lead to an operator ceasing to trade. They would also lose the opportunity to recover the costs of bidding. In the same way as losing a Section 63 subsidised bus tender, they could still run buses in other areas without franchises and bid for other franchising and subsidised Section 63 contracts.

2.4.1.16.   For the purposes of modelling for the RIA, it is assumed that the bus kilometres in a franchised network is the same as the present network – but with rationalisation to address issues such as over-bussing, where two operators compete on the same route; and excess capacity, when an incumbent operator is concerned about the risk of competition on profitable routes and timetables too many buses on that route to discourage competition. In addition, a franchised network would be expected to put in place coordination between services to improve the arrangements for passengers to transfer between services, and to ensure consistent and spaced-out headways between services – which provides more reliability for passengers and removes bus-on-bus congestion at stops.

2.4.1.17.   In respect of over-bussing and excess capacity, the Competition Commission's 2011 research into the competitiveness of the bus industry in Great Britain[36] made a number of relevant points, notably:

---

[36] Competition Commission. 2011. Local bus services market investigation: A report on the supply of local bus services in the UK

"We found that 46% of routes, accounting for 63% of services in the reference area, do not face effective head-to-head competition. Only 3% of routes, accounting for 1% of weekly services, are likely to face effective head-to-head competition. For the remaining routes, a lack of flow-level information prevented us drawing firm conclusions on the extent to which they faced head-to-head competition. Nevertheless, the extent of overlap faced by these routes suggested that, at least in a substantial number of cases, a large pro-portion of passengers on these routes were unlikely to have a choice of operator" (page 10); and

"The process of head-to-head competition, driven by an incentive to increase frequency, could in some circumstances lead to the creation of excess capacity (i.e. more buses being run on the route than can attract sufficient revenue to cover costs). This may reduce the profitability of operators and result in their becoming loss-making. An operator will have an incentive to add services, and it will do so as long as the effect is to add more revenue than the increase in costs. Excess capacity can arise as the competing operators would each add extra services because individually these extra services can be timed so as to take revenue from the rival operator's services (by running shortly ahead of them) and scheduled to maintain or improve the individual operator's network advantages" (page 8-8).

2.4.1.18.   In terms of revenue costs for the Welsh Government, increased concessionary fare reimbursements to operators associated with patronage uplifts have been included in the modelling. In practice, under a franchising model these concessionary fare reimbursement payments could be stopped, with payments to operators streamlined under a contract agreed with the franchising authority. However, as franchising arrangements are yet to be fully defined, for the purposes of this RIA these increases are included to allow direct comparison between the franchising and quality partnerships options. Costs of operating services may still increase if patronage uplift due to concessions require additional bus capacity, but the impact above the effects of the ridership increase driven by network improvements due to franchising is expected to be minimal.

2.4.1.19.   Under the Franchising option, it will be feasible to directly award bus operating contracts to either local authority-owned bus organisations, or private operators, if it is deemed through business case evaluation that this arrangement will be beneficial in terms of outcomes, such as better co-ordination and efficiencies with school transport, or efficient transition from the pre-franchising situation. It has been assumed that local authority-owned bus operators will operate as contracted independent entities in a manner similar to private sector operators.

2.4.1.20.   The costs of setting up a local authority-owned operator direct

award are considered to be of a similar scale to the overall cost for a number of operators to prepare tenders for a franchise; for example this equates to a £1M cost for the local authority-owned operator, and a local authority cost of £2M - £5M for preparation and organising the direct award process, which could include initial refurbishment / fit out of an existing Council-owned depot. As for franchising, costs associated with acquisition of a fleet by the local authority-owned operator (either by buying or leasing) are included in the normal amortisation of costs of vehicles into the annualised operational costs; that is, it is assumed that the 'local-authority-owned operator' fleet would have the same average age as the current fleet operating in the area. Ongoing depot costs are also included as an annualised cost.

2.4.1.21.   Ongoing costs for both the direct-award operator and local authority are assumed to be similar to a tendered franchise operation, with local authority staff monitoring performance of the operator over the duration of the contract and dealing with issues that arise. As for franchising, it is assumed that the direct award contract would be renewed every five to ten years, and that costs associated with this activity would be similar to re-tendering for a franchise (and indeed a local authority may choose to switch from a direct award to a tendered process, or vice-versa depending on best value and policy outcomes).

2.4.1.22.   Table 5 summarises the estimated costs for franchising. A further breakdown is provided within Appendix 3.

Table 5: Estimated Costs for Franchising

Item	WG/TfW	LA/CJCs	Operators	Users	**Total**
Capital Costs	£23.1 M	-	-	-	£23.1 M
Transitional Costs	£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs	-£16.3 M	£73.7 M	-	-	£57.4 M
Total Costs	**£19.2 M**	**£125.7 M**	**£27.0 M**	**-**	**£171.8 M**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.4.2.   Benefits of Option 3: Franchising

2.4.2.1.   The main beneficiaries of franchising would be the users, as franchising would result in a better planned and stable overall bus network with services running in a joined-up way with full integration of all bus services and other modes of transport, such as rail. It would also be expected that franchising would involve setting and

applying more consistent levels of vehicle quality. Additionally, as part of a franchise (even if there are a number of bus operators in the franchise) ticketing arrangements would be based on a single system irrespective of operator. Also, with appropriate patronage-based bonuses in the contract, the local authority and franchise operator would also be incentivised to work together towards increasing patronage.

2.4.2.2.　　The key outcome of franchising would be ability to create a joined up and unified bus network in each area of Wales. Figure 1 provides an example of a unified network in an urban area, where instead of a number of commercial radial bus routes, often with uneven headways, the network is rationalised to five cross-city services with consistent headways plus an orbital route connecting with the cross-city services. This rationalised network would offer passengers a wider range of destinations, with services passing through on-street interchange locations where passengers could transfer between services (with integrated ticketing also supporting this arrangement).

2.4.2.3.　　The impacts of a unified network have been considered using the approach outlined in Appendix 2. Benefits to users are expected to be accrued due to:

- improved and more reasonable journey times for journeys involving transfer due to better integration and coordination with other bus routes and public transport modes;

- the ability of passengers to travel on one or more services in the local franchised network using a single integrated ticketing system without needing to plan their journeys or buy a specific multi-operator ticket in advance; and

- better and easier-to-understand information to passengers as a result of having a simplified and planned network of services.

Figure 1: Rationalising bus services to create a unified network

10 Bus Lines

Existing network 10 bus lines with limited range of journeys

4 Cross City Bus Lines   Orbital Bus   Interchange

With unified network in place: 5 bus lines, interchange points and greater range of origin /destinations by bus
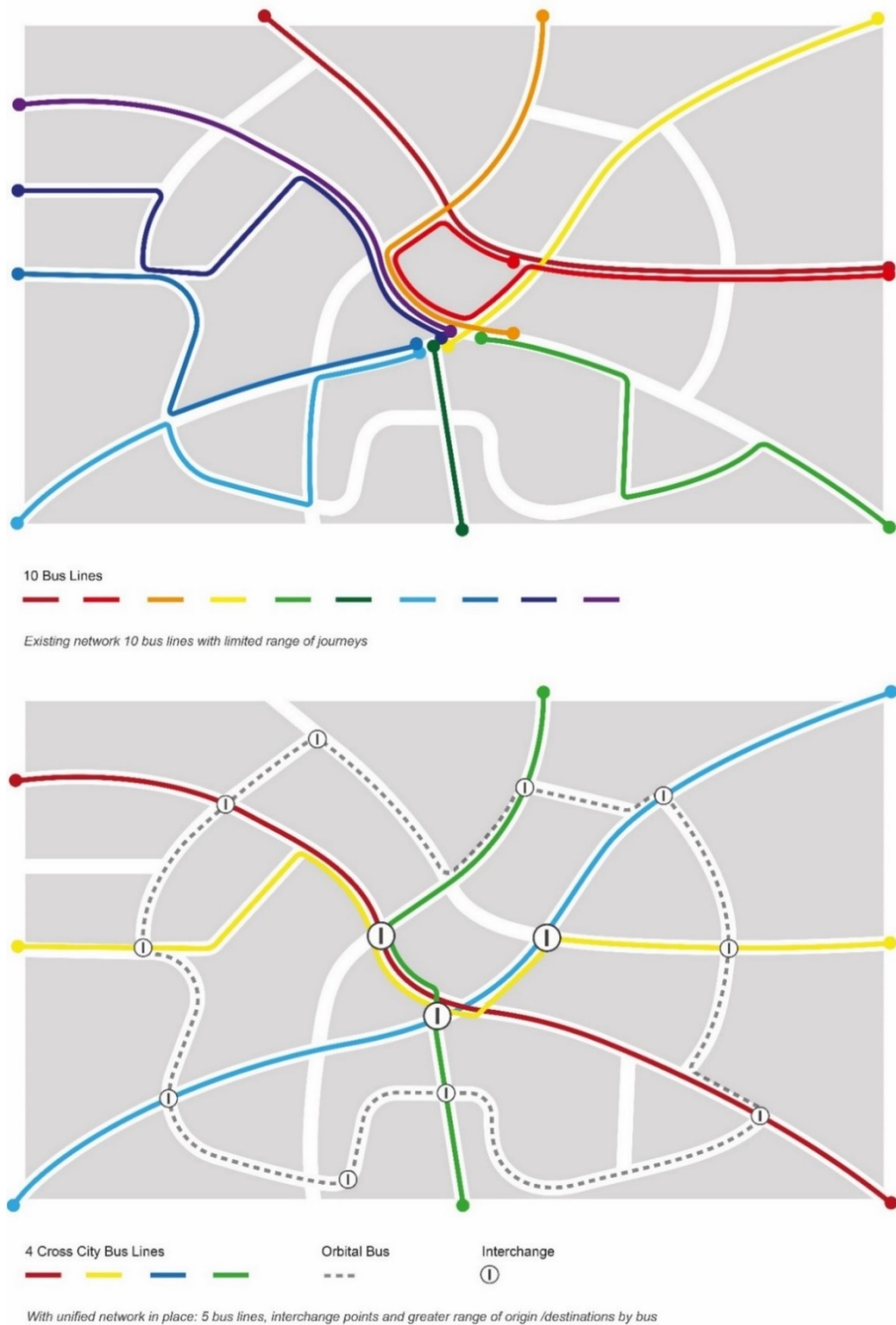
2.4.2.4.   On the basis of improvements to aspects of the bus service noted above, estimated patronage uplifts of 22% in major urban; 12% in town; and 17% in rural networks in 2040 would occur, based on examination of case study networks in Cardiff, Wrexham and Pembrokeshire. This estimate is for the benefits arising from the legislation alone and does not account for additional investment.

2.4.2.5.   Other wider benefits would also accrue if more people travelled by bus:

- health and wellbeing benefits from additional passengers walking to catch a bus;

- net carbon emissions should be lower due to some travellers switching from car travel; and

- improved air quality on main road corridors should also accrue if some car travellers switched to bus travel.

2.4.2.6.   Drawing on international experience, depending on the structure of the franchise contracts, incentivised contracts (for example, bonus arrangements in gross cost contracts) can give a sound basis for operators and local authorities to work together to increase patronage. It is envisaged that contractual arrangements would allow for annual reviews of performance and amendment of routes and frequencies within defined parameters, which would provide franchise operators with opportunities to develop network improvements to attract more passengers.

2.4.2.7.   Currently, many local authority areas have a mix of commercial and socially necessary subsidised routes. In some cases, operators run services without a direct subsidy on their commercial routes, and in other cases operators receive a contracted subsidy (from local authorities) for running socially necessary routes. The assumption for the purposes of this RIA is that the bus kilometres in a present network would be maintained, but with all services rationalised into a unified and coordinated network which should allow scope for some additional services to operate (for example, by re-routing competing services on a core corridor to create a high frequency orbital service which would act as a feeder trunk service, or by running rural feeders into inter-urban trunk services) thereby widening the scope of potential bus journeys.

2.4.2.8.   In a like-for-like network scenario, it is assumed that operational costs for operators (other than previously set out) will be unchanged from the present if a franchise is put in place. In practice, the franchising authority may seek to vary the network shape and operation – for example a network review could take place with opportunities for stakeholders to comment. As this is not a requirement, costs for such periodic reviews have not been estimated as part of this exercise.

2.4.2.9.   There would be benefits to bus franchise operators from the certainty and stability that franchising provides which will enable an operator to better develop training and career progression for their employees could be improved – for example, drivers would be able to transfer between franchisees in the event of retendering of the franchise.

2.4.2.10. Franchising would provide local authorities with greater control over the bus network and services to be provided and would provide cross-subsidisation opportunities. For example, bus routes could be planned and coordinated to provide improved convenience for journeys to school or healthcare facilities which provides economies of scale and may reduce the need for bespoke services.

2.4.2.11. Local authorities would also be able to ensure that the bus network is integrated with the local and regional rail networks in Wales, for example, by running feeder services to match with rail timetables, thereby reducing the need to run bus services in parallel with rail services which occurs in some locations in Wales.

2.4.2.12. Local authority control over bus service provision would also allow for better alignment with delivering on key policy priorities – such as reducing car travel and associated carbon and particle emissions, improving accessibility to key services, maximising social inclusion and improving access to employment.

2.4.2.13. Estimated benefits for a bus network operated through a direct award contract to a local-authority-owned or private operator are assumed to be of the same value as for a tendered franchised operation. The practical choice of local authorities to proceed with tendering or awarding contracts directly will in all cases be subject to a detailed investigation of options and their costs and benefits.

2.4.2.14. Table 6 provides a summary of the estimated financial and economic benefits of partnerships, with a further breakdown provided in Appendix 3.

Table 6: Estimated Benefits for Franchising

Item	WG/TfW	LA/CJCs	Operators	Users	Total
Financial Benefits	-	-	£22.0 M	-	£22.0 M
Economic Benefits	-	-	-	£3,706.8 M	£3,706.8 M
Total Benefits	**-**	**-**	**£22.0 M**	**£3,706.8 M**	**£3,728.7 M**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.4.3.   Summary of Costs and Benefits of Option 3: Franchising

2.4.3.1.   Modelling of the costs and benefits of franchising (as summarised in Table 7) indicates that overall economic benefits would significantly outweigh costs, primarily driven by user benefits.

Table 7: Summary of Costs and Benefits of Franchising

Item	WG/TfW	LA/CJCs	Operators	Users	Total
Total Costs	£19.2 M	£125.7 M	£27.0 M	-	£171.8 M
Total Benefits	-	-	£22.0 M	£3,706.8 M	£3,728.7 M
Net Present Value	**-£19.2 M**	**-£125.7 M**	**-£5.0 M**	**£3,706.8 M**	**£3,556.9 M**
BCR	**-**	**-**	**-**	**-**	**21.7**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.4.4. Costs and Benefits of Franchising Plus+ Scenario

2.4.4.1.　It is likely that, in practice, and given Welsh Government's aspirations around net-zero, bus reform under a franchising scenario would also include provisions for new bus infrastructure, and expansion of service frequency and coverage. These types of investments have not been included in this RIA analysis for franchising thus far as they are not direct requirements of the legislation.

2.4.4.2.　As set out in Appendix 2, a high growth bus patronage scenario is considered, consistent with meeting the mode share target of 45% of journeys to be made by public transport, walking and cycling by 2040 as set out in Llwybr Newydd. Achievement of this outcome will rely on rapid and complete reform of bus governance in Wales, to enable efficient investment in buses, and design of bus networks and supporting infrastructure to work as complete networks to give the best possible service coverage, working in conjunction with heavy rail and tram services.

2.4.4.3.　In addition to the cost assumptions previously set out for franchising, the Franchising Plus+ scenario considers a capital spend of £3bn (2020 prices) for bus infrastructure improvements to 2040, (equivalent to around £165m per annum), associated infrastructure maintenance costs, and an additional £50m (2020 prices) revenue funding per annum for improved frequency of services, and expansion of the geographical reach of the bus network.

2.4.4.4.　These capital costs are based on analysis of potential improvements to bus infrastructure in the case study networks, including bus priority measures, bus stops, transfer hubs, station improvements, improved integration with rail and Metro networks and measures to improve information, branding and marketing. Whilst a detailed assessment of the exact spend has not been made, it is likely that a more significant proportion of the spend would be made in Major Urban and Town network areas where congestion and bus stop density are highest. Revenue funding would be focussed on bus service improvements in Rural and Town areas of Wales. Additional revenue could support increased frequency and expansion of scheduled bus services and Fflecsi Demand Responsive Transport (DRT) services – consistent with the ambition of serving *'every village, every hour'.*

2.4.4.5.　It should be noted that this is a speculative representation of future bus patronage growth, consistent with Welsh Government transport policy and addressing the climate emergency. It is not intended to represent a forecast and is not directly linked to specific individual infrastructure measures in the economic assessment.

Instead, it is an illustrative example of how significant investment in bus could translate into higher mode share. To achieve these levels of public transport use there will also need to be determined investment in active travel and accompanying policies to deter car use to support car-light lifestyles.

2.4.4.6.   Table 8 presents a summary of costs and benefits in the Franchising Plus+ scenario. The summary identifies that, under a high bus patronage growth scenario consistent with mode share targets in Llwybr Newydd be realised, the benefits would outweigh costs of significant investment in infrastructure and increased services under a franchising model, with a BCR of 2.3.

2.4.4.7.   Should a local authority decide to bring forward proposals for improving bus infrastructure to complement changes to the network as a result of the legislative proposals, the decision to proceed would be informed by detailed assessments of the implications of the proposal, which would include a full financial assessment and cost benefit analysis.

Table 8: Summary of Costs and Benefits of Franchising Plus+

Item	WG/TfW	LA/CJCs	Operators	Users	Total
Capital Costs	£3,412.1 M	-	-	-	£3,412.1 M
Transitional Costs	£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs	-£1,909.6 M	£2,407.5 M	-	-	£497.8 M
Total Costs	**£1,514.8 M**	**£2,459.4 M**	**£27.0 M**	**-**	**£4,001.2 M**
Financial Benefits	-	-	£18.4 M	-	£18.4 M
Economic Benefits	-	-	-	£9,118.4 M	£9,118.4 M
Total Benefits	**-**	**-**	**£18.4 M**	**£9,118.4 M**	**£9,136.8 M**
Net Present Value	**-£1,514.8 M**	**-£2,459.4 M**	**-£8.6 M**	**£9,118.4 M**	**£5,135.6 M**
BCR	**-**	**-**	**-**	**-**	**2.3**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.5. Summary and Preferred Option

2.5.1.1.   This RIA has outlined three options for the future delivery and organisation of bus services in Wales, namely business-as-usual, statutory partnerships and franchising.

2.5.1.2.   The business-as-usual model, involving continued emergency funding for bus services as patronage gradually moves back towards pre-COVID levels is not considered an appropriate or financially sustainable situation for Welsh Government in the long-term. Neither is reducing subsidy (and thus impacting level of service) consistent with wider policy and requirement to grow demand for bus services to address the climate emergency. It is considered that Welsh Government intervention is required to achieve the necessary radically different outcomes for bus, so business-as-usual is not considered a relevant option to be taken forward.

2.5.1.3.   In terms of achieving the policy outcome of better bus networks as set out in Section 1, Table 9 sets out a summary comparison of the powers available under partnership and franchising approaches.

Table 9: Summary of Powers for Partnerships and Franchising

Measures Available	Partnership	Franchising
Specify where and when bus services run	○	▲
Minimum Service frequency or evenly spaced timings	■	▲
Timetables	■	▲
Vehicle specifications (e.g. Wi-Fi, lower emissions)	■	▲
Passenger information standards	■	▲
Route or area branding and/or marketing	■	▲
Single ticketing system for all trips / buses	○	▲
Smart cards and contactless payments	■	▲
Common ticket rules and fare zones	■	▲
Maximum fares for given routes or services	■	▲

Notes:
▲LAs determine the details of the services to be provided – where they run, when they run and the standards of the services
■ LAs can seek formal agreement from a defined proportion of operators
○ Not relevant/Powers not available

2.5.1.4.   Table 10 presents a Red, Amber, Green (RAG) assessment of how a partnership approach and a franchising approach would compare in respect of achieving the success factors identified from best practice. The assessment concludes that a partnership approach would be less able to address success factors (as introduced in Section 1) in respect of passenger outcomes.

Table 10: Comparison of Partnership and Franchising for Success Factors

Factor	Success aspect	Partnerships	Franchising
Area-wide networks with all significant local destinations reachable	A wide range of key destinations throughout a local area should be reachable in 45-60 mins during the daytime (with transfers if necessary)	Focus is on direct journeys only and hence travel between many destinations not convenient	Network approach with co-ordinated transfers
One Ticket	An exclusive single ticket system for boarding all buses should be in place	Multiple operator tickets side-by-side with operator tickets	Single ticket system for passengers on all services
Easy To Understand Network	A public transport network that is inherently easy to understand	Multiple services with overlapping routes	Generally only one or two services on each corridor, with regulated headways.
One Brand	A public transport brand should be present on all vehicles, stops and stations, information sources, and ticketing	Regional brand would co-exist with operator brands	A single brand for all components
Easy and Reliable Transfer	High quality transfer conditions and arrangements (ticketing, timetables).	Network not fully designed for co-ordinated transfer	Network designed with transfer built-in
Reliable Travel Times	Journeys by public transport should have reasonable and consistent speeds	Delivery of bus priority measures could deliver improvements in speed	Manage bus-on-bus congestion and reduced dwell time, in addition to bus priority
Easy to Access the Vehicle	Easy to board with multiple doors for urban buses	Single door vehicles leading to slower boarding / alighting	Multi-door easy access and associated enforcement, reducing delays at stops
Accessible and Comfortable	Stations and stops are easy to reach, are comfortable with good information, and vehicles are comfortable, and well equipped.	Good quality stops and vehicles	Good quality stops and vehicles
Public Feedback and Customer Care	The general public are given regular opportunities to provide feedback	Partnership can include changes over time with agreement of all parties but likely to be unstable over time	Annual network review can be built-in to delivery of franchised networks
Passenger Safety, Security, and Health	Inherent in all aspects of people's experience of public transport, including roadside air quality and carbon emissions	Multiple different operators and local authorities involved.	Single organisation would be responsible for managing these aspects.
Network Efficiency and Financial Affordability	Service lines are optimised to limit inefficient overlap of services	Some overlaps and corridor inefficiencies	All overlaps and inefficiencies designed out at network planning phase

Notes:

Red – *Unlikely to offer improvement over business-as-usual arrangements*

Amber - *Can achieve improvements but limited potential to achieve best practice*

Green - *Good potential for best practice*

2.5.1.5.   This RAG assessment has identified an overall conclusion that the franchising option best addresses all of the key success factors. It is further concluded that even though a partnership approach could improve bus services, it does not provide a realistic means to deliver the necessary step changes to meet Welsh Governments aspiration for '*One Network, One Timetable, One Ticket*'. A further disadvantage of a partnership approach is that it would involve perpetual negotiations and modifications in response to operators' commercial imperatives.

2.5.1.6.   The selection of franchising as a preferred option is supported by the analysis of costs and benefits presented within this RIA and summarised in Table 11. Whilst costs are broadly comparable between partnerships and franchising over the 30-year appraisal period, benefits for franchising are roughly twice as high.

Table 11: Summary of Costs and Benefits of Partnerships and Franchising Options

Item	Statutory Partnerships	Statutory Partnerships Plus+	Franchising	Franchising Plus+
Total Costs	£182.6 M	£4,176.8 M	£171.8 M	£4,001.2 M
Total Benefits	£1,902.4 M	£5,981.5 M	£3,728.7 M	£9,136.8 M
Net Present Value	**£1,719.7 M**	**£1,804.7 M**	**£3,556.9 M**	**£5,135.6 M**
BCR	**10.4**	**1.4**	**21.7**	**2.3**

Notes:
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits
2. Costs and benefits represent totals over the 30-year appraisal period, discounted to 2020 prices
3. Costs and benefits are shown at a Wales level, based on extrapolation from Major Urban (Cardiff), Town (Wrexham) and Rural (Pembrokeshire) case study local authorities on a pro-rata basis.

2.5.1.7.   The cost-benefit analysis prepared for this RIA represents a complex technical exercise, undertaken according to the relevant transport appraisal guidance, which has sought to assess potential costs and benefits to people and the environment that are often difficult to calculate as pounds and pence. The Benefit to Cost Ratio (BCR) results provide a high-level summary which can be compared to estimate the potential trade-offs of each scenario. The BCR of all four options is greater than 1, meaning the expected monetisable benefits of interventions in each scenario outweigh the expected costs. A BCR of above 2 is generally considered high. The selection of a preferred option must not be based on BCRs alone. The relative merits and value for money of each option must be judged in the wider context of ambitions set out in Llwybr Newydd and Welsh Government's response to climate emergency, rather than the highest BCR.

2.5.1.8.   The BCRs for 'legislation-only' Statutory Partnerships and Franchising options are higher than values typically presented in

transport business cases, as they do not have significant capital expenditure associated with infrastructure measures (as is typically the case for transport-related investment) but do include significant benefits linked to legislative changes. In practice, it is likely that implementation of legislation to improve bus services in Wales would not be made in isolation but include a range of supporting investment in transport infrastructure and policy measures aimed at delivering a step change in mode share. The legislative proposals should be treated as enabling measures, which provide an enhanced ability to lock in benefits of wider, and potentially substantial, investments in measures such as on-street or bus station infrastructure and bus priority measures. The selection of a preferred option must not be based on BCRs alone. The relative merits and value for money of each option must be judged in the wider context of ambitions set out in Llwybr Newydd and Welsh Government's response to climate emergency, rather than the highest BCR.

2.5.1.9.   In summary, a unified, co-ordinated, bus network can only be realised if a single organisation has control over service routes and frequencies – and franchising of bus services by local authorities is an appropriate mechanism to deliver these necessary governance tools. The alternative approach of statutory partnerships, even with more of a role for local authorities compared to previous partnership arrangements, does not provide any party (local government or operators) with the necessary authority to align and deliver the interdependent components of a successful bus system, and would retain the current fragmentation of roles and responsibilities. This conclusion does not imply that bus operators in Wales are not of the required standard to operate quality services, on the contrary, a more stable procurement and operating regime would allow operators to concentrate on a core role of delivering excellent services and high-quality operational practices.

Appendix 1: Costs Assumptions Summary

Administrative Costs Assumptions Summary

Cost assumptions for statutory partnerships and franchising are outlined in Table A1- 1 and Table A1- 2 respectively. Where referenced, an approximate FTE cost of between £50k - £65k has been assumed, the variance relates to role, skills, organisation, and regional location.

Table A1- 1: Statutory Partnership Cost Assumptions

Cost Type	Summary of Cost Assumptions
Set Up Costs	
WG / TfW set up costs (paragraphs *2.3.1.2 & 2.3.1.3*)	**£100k** (all of Wales) Cost estimate based on inclusion of the following activities: • Welsh Government officers prepare guidance document; and • Legal guidance and template partnership contract(s). This represents an FTE equivalent of about two Welsh Government staff. **Depot Capex - £1.5m major urban; £1m town urban; £0.5m rural** (per LA) An additional capital cost allowance has been made for upgrades to depots to support charging/re-fuelling of low-emission vehicles. This cost has been allocated to Welsh Government on the basis that grant funding to depot owners would be made available to support transition of the bus fleet.
LA / CJC set up costs (paragraph *2.3.1.4*)	**£120k major urban; £90k town urban; £60k rural** (per local authority) Assumed cost for setting up a partnership in each local authority area based on the Welsh Government guidance and template partnership contract(s). Cost estimate based on local authority staff undertaking route assessments and consultation with operators on proposed partnerships, with a range from one FTE for a rural local authority to two FTEs for a major urban authority. **Second and subsequent partnership agreements** **£60k major urban; £45k town urban; £30k rural** (per local authority) Partnerships would need to be revised at various stages, for example when a new operator enters a local market or when new development requires changes to bus services. Costs for ongoing management and minor changes to partnership arrangements are included within the recurring costs, however it is likely that additional resources equivalent to these set-up costs would be required to negotiate significant revisions to partnerships. This could include for example public consultation on bus networks, evaluation and re-design of networks and studies to identify supporting infrastructure measures etc. An assumption has been made therefore that significant revisions to partnerships would be required every five years on average, with costs to LAs at 50% of the original set up costs.
Operators set up costs (paragraph *2.3.1.6*)	**£200k major urban; £150k town urban; £100k rural** (per local authority) Cost estimate based on two bus operators negotiating a partnership with the local authority with each requiring between half to one FTE to undertake route assessments, consult with the local authority and negotiate a final deal. Half an FTE is considered more appropriate for a smaller rural network, and one FTE for a major urban network. **Second and subsequent partnership agreements** **£100k major urban; £75k town urban; £50k rural** (per local authority)

Cost Type	Summary of Cost Assumptions
	Assumed that an additional level of resource would be required every five years on average to negotiate significant revisions to/new partnerships.
Recurring Costs	
WG / TfW recurring costs (paragraph *2.3.1.7*)	**£250k (all of Wales)** Cost estimate based on the equivalent of one FTE per region (four in total), responsible for the following activities: • Strategic programme management, monitoring of partnerships at national level; • Technical and legal support for LAs / CJCs; • Evaluation of partnerships and interface with policy development; • Engagement with LA/CJCs and bus operators; • Guidance and knowledge sharing on best practice; and • Procurement of back-office ticketing and financial monitoring support for multi-operator ticketing.
LA / CJC recurring costs (paragraph *2.3.1.8*)	**£25k major urban; £20k town urban; £15k rural per annum** (per local authority) Cost estimate based on the equivalent of up to half an FTE per year additional resource, with costs of between £15k and £25k, depending on the scale of the partnership. It is considered that this includes the following activities: • ongoing management of partnerships; • updates to Traffic Regulation Orders; • enforcement and monitoring; and • meetings with operators.
Operators recurring costs (paragraphs *2.3.1.8, 2.3.1.9 & 2.3.1.10)*	**£25k major urban; £20k town urban; £15k rural per annum** (per local authority) Cost estimate based on the equivalent of up to half an FTE per year additional resource, with costs of between £15k and £25k, depending on the scale of the partnership. It is considered that this includes the following activities: • ongoing management of WPSs; • compliance and provision of monitoring information; and • meetings with local authority officers. **Costs for low emission buses phased in within OPEX modelling** Additional lease costs included for low emission buses in line with profile identified (i.e. 100% of the service bus fleet to be zero emission by 2040). These additional costs are offset by cheaper running costs of electric buses compared to diesel. **Increase assumed driver hourly salary to £11.94, representing a 5% increase on baseline of £11.37**[37] An additional increase on driver wages is made in the partnership scenario on the basis that partnerships could include agreements on pay and

---

[37] Office for National Statistics. 2021. Earnings and hours worked - ASHE Table 3: Transport and mobile machine drivers and operatives

Cost Type	Summary of Cost Assumptions
	conditions in line with WGs intent for a policy of fair pay for bus workers. This is lower than the cost increase in the franchising scenario, as pay conditions would need to be negotiated as part of the partnership, and it may not be possible to agree this policy with all operators.

Table A1- 2: Franchising Cost Assumptions

Cost Type	Summary of Cost Assumptions
Franchising Set Up Costs	
WG / TfW set up costs (paragraphs *2.4.1.2, 2.4.1.3 & 2.4.1.4*)	**Preparing guidance: £1m** (for all of Wales) Cost estimate based on inclusion of the following activities: • Welsh Government officers prepare guidance document, estimated as about eight FTEs; • technical support from specialised consultants; and • provision of template contract(s). **Support to local authorities: £5m-£8m** (for all of Wales) Supporting the transition to franchising, providing guidance on best practice and network development across Wales. Potential for economies of scale in procurement, planning and managing transition at the national level, rather than duplicating processes at LA/CJC level. This cost includes legal advice to address any potential challenge through judicial review. **Depot Capex - £1.5m major urban; £1m town urban; £0.5m rural** (per LA) An additional capital cost allowance has been made for upgrades to depots to support charging/re-fuelling of low-emission vehicles. This cost has been allocated to Welsh Government on the basis that grant funding to depot owners would be made available to support transition of the bus fleet.
LA / CJC set up costs (paragraph *2.4.1.6*)	Franchising costs for local authorities including a range of activities: • develop and set out governance arrangements; • preparation of business case, as required; • financial investigations on whether the options would require capital spending, such as for the purchase of depots, buses or other infrastructure; and costs associated with the TUPE transfer of staff and their pension protection where relevant; • consultation with operators, • public consultation; • data collection such as patronage, passenger surveys, bus speeds; • preparation of passenger forecast model; • organisational and IT aspects of a bus franchise management office; • Contingency plans for providing replacement services should operators stop running their services before the introduction of the franchising scheme; • an independent review of the economic and financial assessment; • preparation of franchise contract documents; • prepare and undertake the tender process; and • carry out TUPE processes. **£2m-£5m major urban; £1m-£2m urban town urban; £0.5m-£1m rural** (per local authority) Estimates of set up costs for local authorities have been prepared based on

Cost Type	Summary of Cost Assumptions
	discussions with local government bus officers, operators and other stakeholders – and represent a range of costs from FTEs at CJC/local authority level, to a variety of external costs for aspects such as data collection, external consultants, legal advice, financial and business advice, human resource advice. There is an inherent uncertainty in respect of identifying costs at this stage – and it is likely that costs for local authorities who implement franchising in the short-term will be higher than costs for local authorities taking franchising forward on a longer timescale – due to the learning process and experience gained in the initial franchise authorities (for example contract documents). It is envisaged that re-letting contracts for routes or packages of routes would be undertaken on a rolling basis once the initial process is in place, so costs for LA/CJCs to run subsequent rounds are included in the recurring costs.
Operators set up costs (paragraphs *2.4.1.7 & 2.4.1.8*)	**£1m major urban; £500k town urban; £250k rural** (per local authority) For the purposes of this RIA, it is assumed that four operators bid for a franchise, which is assumed to cover a local authority area. Dividing the costs above per LA by four gives a range of costs per operator of £60-65k for a rural network (c. 1 x FTE), £125k for a town network (c. 2 x FTE equivalents) and £250k (c. 4-5 senior FTE equivalents) for a major urban network contract. These costs account for the fact that, in rural areas, operators may need to bid for a number of smaller contracts within a single LA, rather than all the routes as a single package. As some contracts will be let cross-LA boundaries, extrapolation of these costs on a per LA basis is considered a conservative estimate, which may not be so high in reality. **Second and subsequent rounds of franchising: £500k major urban; £250k town urban; £125k rural** (per local authority) During the first franchise round the local authority will be gathering data on bus trips and patronage, which it will be able to share with all bidders bidding on the second and subsequent rounds. Therefore the costs of bidding for bidders will be less, as there will be less research to be done by potential new entrants.
Franchising Recurring Costs	
WG / TfW recurring costs (paragraph *2.4.1.9*)	**£500k (all of Wales)** Cost estimate based on the equivalent of two FTE per region (8 in total), responsible for the following activities: • Strategic programme management/monitoring of franchising at national level; • Technical and legal support for LAs / CJCs; • Evaluation of partnerships and interface with policy development; • Engagement with LA/CJCs and bus operators; • Guidance and knowledge sharing on best practice; and • Procurement of back-office ticketing and financial monitoring support for multi-operator ticketing.
LA / CJC recurring costs (paragraph *2.4.1.10*)	**£225k major urban; £125k town urban; £50k rural** This represents a range from approximately one FTE in a rural area to around 4½ extra FTEs for an average Major Urban network. This includes for the following key activities: • ongoing management of franchise contracts; • updates to Traffic Regulation Orders; • financial management and accounting; • enforcement and monitoring;

Cost Type	Summary of Cost Assumptions
	• subsequent franchise round competitions; and • contract meetings with operator. Local authorities already have existing public transport officers involved in managing section 63 subsidised contracts, liaising with commercial operators and promoting information/marketing. The costs above represent net costs in addition to these activities.
Operators recurring costs (paragraphs *2.4.1.11, 2.4.1.12, 2.4.1.13, 2.4.1.14 & 2.4.1.15)*	**Increase assumed driver hourly salary to £12.22, representing a 7.5% increase on baseline of £11.37[38]** An additional increase on driver wages is made in the franchising scenario on the basis that **Costs for low emission buses phased in within OPEX modelling** Additional lease costs included for low emission buses in line with profile identified (i.e. 100% of the service bus fleet to be zero emission by 2035). These additional costs are offset by cheaper running costs of electric buses compared to diesel. **Assume no change to other administrative costs** Other staff and operating costs not associated with drivers and vehicles represent around 25% of operators total costs[39]. Franchising arrangements will impose some additional requirements on operators in terms of the need to monitor contractual performance and carry out reporting, liaison and accounting procedures as part of the contract with the local authority. However, there would also be reduced administrative effort required of operators in terms of planning routes, ticketing offers, branding and marketing. For the purposes of this RIA, it is expected that these costs would remain largely unchanged. **Potential for other OPEX savings not included in modelling** It is assumed that the franchised networks will have the same operating mileage as the present networks but will be better rationalised and coordinated. Franchising could reduce operator costs as a result of: • stability of network resulting in longer term economies of scale and reduced need to carry out activities in respect of competing with other operators; • better rationalisation of headways to reduce bus-on-bus congestion at stops which will reduce dwell times; • improved network coverage leading to higher patronage; and • consistent and standardised ticketing / boarding arrangements for all buses which should reduce dwell times at stops. Franchising thus provides opportunities for operators to reduce operating costs in some areas, however no savings have been accounted for within the modelling to provide a conservative estimate of potential costs.

---

[38] Office for National Statistics. 2021. Earnings and hours worked - ASHE Table 3: Transport and mobile machine drivers and operatives

[39] CPT Cost Index. 2019. Adding category '2 Other labour and staff costs' and '7 Other operating costs' gives a total of 26.3%.

High Growth Scenario Costs Assumptions Summary

As set out in Appendix 2, a high growth bus patronage scenario (of around three times current usage) represents a plausible target and potential realistic outcome for Wales – with appropriate investment and governance in place, including policy-based initiatives to promote use of public transport over private car travel. This is considered consistent with meeting the mode share target of 45% of journeys to be made by public transport, walking and cycling by 2040 as set out in Llwybr Newydd.

Achievement of this outcome will rely on rapid and complete reform of bus governance in Wales, to enable efficient investment in buses, and design of bus networks and supporting infrastructure to work as complete networks to give the best possible service coverage, working in conjunction with heavy rail and tram services.

As a result, and in addition to the Administrative Costs assumptions set out above, the following broad cost assumptions for additional spend in the 'Partnerships Plus+ and 'Franchising Plus+' scenarios have been made:

- Additional capital spend of £3bn (2020 prices) for bus infrastructure improvements to 2040, (equivalent to around £165m per annum) and associated infrastructure maintenance costs; and
- Additional £50m (2020 prices) revenue funding per annum for improved frequency of services, and expansion of the geographical reach of the bus network.

Capital costs are based on analysis of potential improvements to bus infrastructure in the case study networks, including bus priority measures, bus stops, transfer hubs, station improvements, improved integration with rail and Metro networks and measures to improve information, branding and marketing. Whilst a detailed assessment of the exact spend has not been made, it is likely that a more significant proportion of the spend would be made in Major Urban and Town network areas where congestion and bus stop density are highest.

Revenue funding would be focussed on bus service improvements in Rural and Town areas of Wales. Additional revenue could support increased frequency and expansion of scheduled bus services and Fflecsi Demand Responsive Transport (DRT) services – consistent with the ambition of serving *'every village, every hour'*.

It should be noted that this is a speculative representation of future bus patronage growth, consistent with Welsh Government transport policy and addressing the climate emergency. It is not intended to represent a forecast and is not directly linked to specific individual infrastructure measures in the economic assessment. Instead, it is an illustrative example of how significant investment in bus could translate into higher mode share. To achieve these levels of public transport use there will also need to be determined investment in active travel and accompanying policies to deter car use to support car-light lifestyles.

Appendix 2: Methodology and assumptions for calculation of Benefits

Modelling Benefits Methodology

Overview

The economic assessment model prepared for this RIA utilises demographic data, bus passenger statistics, and financial statistics for three network examples (and for the whole of Wales), available from government sources[40]. Assessment of the proposals is underpinned by an economic assessment model that calculates demand impacts, cost implications and economic benefits in accordance with DfT's Transport Appraisal Guidance (TAG) and best practice in economic evaluation.

A key guiding principle for demand modelling and economic assessment is proportionality, which refers to striking a balance between the level of detail and the cost of the modelling, considering factors such as the required functionality, data availability, and robustness and resource and time constraints. Although the overall project represents changes to bus networks across the whole of Wales, at this stage, it was not considered proportional to assess every network in Wales in detail. For the economic and patronage assessment, three example network plans (Cardiff, Pembrokeshire and Wrexham) provide case studies upon which to assess impacts. The results from this analysis give an indication of the economic impacts in other Welsh local authorities, and extrapolation to an all-Wales level on a pro-rata basis. The example networks represent the following types of locations in Wales:

- a large urban bus network (Cardiff);
- a rural / inter-urban network (Pembrokeshire); and
- a smaller urban / town network (Wrexham).

The economic assessment includes estimates of operating costs, administrative costs and capital expenditure. The demand modelling provides a means to illustrate the potential growth in passenger numbers, and to identify the scale and range of measures which are likely to be needed to achieve the targeted growth. The demand figures are then used to estimate the impact on revenues.

The RIA covers a 30-year appraisal period from 2024/25 to 2054/55 to ensure the evaluation of costs and benefits is made over the medium term. In line with HM Treasury Green Book guidance, future costs and benefits have been discounted using the Treasury's central discount rate of 3.5%[41] (unless otherwise stated), to a 2019/20 base year.

Passenger Demand Impact

The demand modelling provides a means to estimate the potential growth in passengers, compare potential growth in each scenario and illustrate the relative importance of measures aimed at achieving that growth. The calculations require two key sets of inputs:

- Estimated current passenger journey numbers and forecast change in passenger numbers in a 'do minimum' scenario (as described below);

---

[40] Department for Transport. 2021. Bus Statistics.

[41] HM Treasury. 2020. The Green Book: central government guidance on appraisal and evaluation

- Estimated journey times before and after network and other improvements have been implemented (generally expressed in transport planning studies as Generalised Journey Time – which includes perceived time to reflect quality and reliability aspects).

Outline matrices of bus travel, including the origin-destination pattern, for each case study area have been obtained and summarised from the SEWTM (South East Wales Transport Model), NWTM (North Wales Transport Model) and SWMWTM (South West & Mid Wales Transport Model) strategic models.

In order to provide a robust baseline for planning measures to grow bus patronage, it is useful to identify a 'do minimum' scenario. Forecasts are taken from the DfT's National Trip End Model[42] (NTEM), which is generally used as the basis for future travel forecasts for DfT transport business cases. The modelling approach assumes a continued decline of bus demand in the business-as-usual option as set out in NTEM, which suggests that bus journeys in Wales will decline by 4.3% over the period to 2030, but with decline in each local authority varying between 1.4% and 8.3%.

Generalised Journey Time

The primary mechanism through which bus improvements translate into higher demand and benefits for users is through adjustments to the actual or perceived cost of travel, which is expressed in the term Generalised Journey Time (GJT). The GJT combines the costs of different elements of a journey – such as wait time, in-vehicle time and reliability – into a single overall measure. By applying values of time to each element of bus travel (using standard values which are published in WebTAG and elsewhere), it is possible to calculate the direct and non-direct travel times for users.

Some interventions directly affect users' journey times (for example, improved bus network coverage, improved service frequency, bus priority measures). Other measures (for example improved bus stops and vehicles) relate to the quality of bus services. Such quality factors can have some impact on actual journey times, but they also affect the way users perceive bus services and make bus travel more attractive at any given level of cost or journey time. There are a range of values in technical literature – typically based on 'willingness to pay' or stated preference surveys – which express these improvements as reduction in GJT. This allows quality factors to be incorporated into the modelling frameworks in a similar way to actual changes in fares or journey times.

The formula for calculating the average GJT within bus networks takes the form:

$$GJT = IVT + S + I + R + Q$$

Where:

- *IVT* is the 'in-vehicle' travel time;
- *S* is the service interval penalty;
- *I* is the interchange penalty;
- *R* is the reliability of bus services; and,

---

[42] Department for Transport. 2016. NTEM data release notes and frequently asked questions. NTEM National Trip End Model (NTEM) bus use projections are presented in a software package called TEMPro. The data in NTEM is not based on observations or fare data but is derived from Census data and forecast patterns of population and employment.

- **_Q_** is a service quality factor

The potential uplift in passenger demand is calculated by applying an elasticity of demand with respect to GJT (where elasticity is a parameter which determines the relationship between changes in GJT and changes in demand). The value of the elasticity is based on recommended values identified in a 2018 study for the DfT[43].

Table A2- 1: Elasticity Values

Journey Type	GJT Bus Elasticity Value
Commute	-1.15
Leisure	-1.05

Bus System Components

Significant growth of passenger numbers is generally reliant on provision of high-quality passenger experience across all components of the bus system. The range of potential bus improvements and initiatives that have been considered in this study are summarised in Table A2- 2, each of which is modelled in turn.

Table A2- 2: Modelled Components of Bus System Improvements

Theme	Bus System Components
Network Arrangements	Network Arrangements
	Integrated Ticketing
Infrastructure	Improved Corridor Speeds
	Bus Stops / Transfer Hubs
Vehicles	Bus Boarding / Alighting
	Vehicle Quality & Decarbonisation
Enablers	Information, Branding & Marketing
	Transport Policy

The key element of a bus improvement strategy for Wales is to plan and operate bus services as a co-ordinated network in each area and allow people to choose to rely on buses to meet their day-to-day travel, with a wider range of realistic destinations by bus. Provision of integrated ticketing, which allows seamless transfers between buses using a single ticket is a key aspect of a network-based approach. Co-ordinated networks in urban areas will comprise high frequency services with a series of interchange points where services meet, whereas in rural areas (with lower frequency services) an effective network will rely on consistent and co-ordinated timetables.

---

[43] RAND Europe. 2018. Bus fare and journey time elasticities and diversion factors for all modes: A rapid evidence assessment.

In general, bus priority measures in Wales which have involved on-road bus lanes or segregated busways have delivered measurable improvements in journey times, reliability, user satisfaction and patronage increases. In the context of a network-based approach, infrastructure measures (such as bus priority measures, interchanges and bus stop improvements) can potentially produce higher levels of patronage across the whole network and can also reduce operating costs – and hence justify significant capital costs.

New vehicles and automated ticketing systems can allow faster boarding and alighting, reducing dwell time at stops and speeding up journeys. They can also provide a high degree of comfort for passengers and lower levels of emissions in line with Welsh Government's decarbonisation commitments. Transitioning to a zero-emission fleet is a core part of the future strategy for bus in Wales.

In combination with a network-based approach, improved travel information (with easy-to-understand network maps), and adoption of a single brand for each local network, have a fundamental role in attracting people to use, and trust, the bus network. Wider transport policy initiatives, such as limitation on parking, or traffic management, are also important in incentivising people to use sustainable modes.

Assessment Scenarios Overview

Costs and benefits for statutory partnerships and franchising have each been assessed under two scenarios. The first represents a notional scenario in which non-legislative measures, such as bus stop improvements, bus stations, bus priority measures, are not included as they are not directly required or affected by the legislation. These scenarios are referred to simply as 'Statutory Partnerships' and 'Franchising'. Under the franchising option, tendering of services to operators is the basis for assessing costs, but with an alternative of a direct award (to either a local authority-owned operator or a private operator) also considered.

In practice, and given Welsh Government's aspirations around net-zero, it is likely that implementation of the legislative measures would include a range of supporting investment in transport infrastructure and policy measures. These supporting measures are likely to produce significant benefits and patronage increases at a scale higher than the legislative proposals themselves. Hence the legislative proposals can be considered as enabling measures, which provide an enhanced ability to lock in benefits of wider, and potentially substantial, investments in measures such as on-street or bus station infrastructure, low emission bus fleets and bus priority measures. These scenarios are referred to as 'Statutory Partnerships Plus+' and 'Franchising Plus+'.

The remainder of this section provides a description of the modelling assumptions applied in each scenario, relating to benefits for each of the elements assessed. Table A2- 3 provides an overview of benefits categories and notional scale of impact in each of the scenarios. Some benefits have been quantified within the economic modelling, whilst others are referred to qualitatively within the RIA text.

Table A2- 3: Summary of bus system component benefits by option scenario

Bus System Component	Statutory Partnerships	Franchising	Statutory Partnerships Plus+	Franchising Plus
Network Arrangements	■■	■■■	■■	■■■
Integrated Ticketing		■■		■■
Improved Corridor Speeds		□	■■	■■■
Bus Stops / Transfer Hubs		■	■	■■
Bus Boarding / Alighting		■■■		■■■
Vehicle Quality & Decarbonisation	■■	■■■	■■	■■■
Information, Branding & Marketing	■	■■	■	■■
Transport Policy			■■■	■■■

Key:

□   Benefits referred to qualitative only within RIA text, but not quantified

■   Benefits quantified within economic modelling

■   ■■   ■■■   Low to high beneficial impact for option scenarios (indicative only)

Key assumptions for each of the components are explained in further detail in in turn in the following sections. Benefits are applied in the model for each category by two key sets of inputs:

- GJT benefits – based on WebTAG values and evidence from literature; and
- Proportion of trips affected – reflecting that the benefits of some measures only apply to a proportion of passengers e.g. interchange hubs are only used by those using multiple services

Throughout the descriptions of key assumptions, benefits estimates are referred to in financial (cash) and economic (non-cash) terms, as described below:

Financial impacts:

- **Operator benefits:** This is the additional revenue bus operators may receive, based on extra patronage multiplied by average ticket prices; and

- **Government benefits:** This covers central government benefits and local government benefits.

Economic impacts:

- **User benefits:** The approach to estimating passenger economic benefits is to monetise the range of benefits according to their Generalised Journey Time (GJT) savings. This approach summates actual time savings (if journeys are made more quickly) and 'perceived' time savings as a result of improvements to elements of the bus system (such as information). This approach follows the general approach set out in Department for Transport's Transport Appraisal Guidance (WebTAG)[44]. The GJT benefits of each relevant change to network arrangements, integrated ticketing, vehicle quality and travel information are based on standard values of time published in TAG and other research documents. There are a range of values in transport planning research literature – typically based on 'willingness to pay' style surveys – which equate these improvements to an equivalent reduction in GJT or fares. We have also included health benefits to reflect the fact that travelling by bus is expected to involve more walking than travelling by car, and the social value of trips that could not take place without an effective bus network.
- **Non-user benefits:** Non-user benefits (e.g. time savings to other travellers if more passengers use buses, carbon reductions, accident reductions, etc.) are also calculated according to WebTAG guidance.

---

[44] Department for Transport. 2021. Transport Analysis Guidance (TAG)

Benefits of Network Arrangements

Key assumptions for network arrangements in each of the modelled scenarios are provided below in Table A2- 4.

Table A2- 4: Summary of Network Arrangements Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**GJT improvements and demand uplift calculated based on case study unified networks for Cardiff (Major Urban), Wrexham (Town) and Pembrokeshire (Rural).** A partnership approach would enable only partial influence over the shape of the network. There are significant obstacles to delivering the types of changes that would create passenger benefit. Allocation of bus resource from different operators to specific routes (e.g. to create a high frequency orbital service line, or a feeder line to an interchange hub) would not be feasible due to the likely need for cross-subsidisation involving reallocation of revenue between operators - and hence the necessary full co-ordination between services and efficient use of overall bus resource would not be achievable. Even with a partnership in place there is unlikely to be sufficient incentive for operators to invest in significant network changes over the long term. The GJT benefits have been set to 50% of the franchised network, to reflect these trade-offs. Network improvements in a partnership model are likely be limited to better timetable co-ordination of services and ticketing improvements. For the present network, wait times for interchange have been subject to a penalty time of 7.5 minutes (an industry standard value), whilst an interchange penalty of 5[45] minutes has been used in the calculation of GJTs for Statutory Partnerships to reflect the complexity for passengers of interchanging between different operators' services compared to the fully co-ordinated franchised network.
Franchising	**GJT improvements and demand uplift calculated based on case study unified networks for Cardiff (Major Urban), Wrexham (Town) and Pembrokeshire (Rural).** The network would be planned so that every service is fully co-ordinated and routed to interchange hubs. For the present network, wait times for interchange have been subject to a penalty time of 7.5 minutes (an industry standard value) whilst an interchange penalty of 2.5 minutes is used in GJT modelling to reflect easier transfer opportunities, simplified network with limited duplication of services and standard headways. This is considered a robust figure, with some UK research[46] suggesting that a guaranteed connection could reduce the bus penalty to 0.9 minutes. No competition between service lines would allow the bus vehicle resource to be planned as a many-to-many grid network of high frequency services with planned transfer points – which dramatically increases the range of practical journeys possible by bus. A planned approach would improve network coverage, by efficient allocation of resources to create an appropriate mix of frequent services, long-distance express services, feeder services; for example, instead of operating low frequency services into central areas, these services could be operated as short feeder services at high frequency to interchange hubs.
Statutory Partnerships Plus+	As per Statutory Partnerships.
Franchising Plus+	As per Franchising.

---

[46] Scottish Executive Central Research Unit. 2001. Interchange and Travel Choice - Volumes 1 and 2.

Benefits of Integrated Ticketing

Key assumptions for integrated ticketing in each of the modelled scenarios are provided below in Table A2- 5.

Table A2- 5: Summary of Integrated Ticketing Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**No Impact** An enhanced partnership could enable integrated ticketing, but majority agreement would be required. As many operators already provide multi-operator tickets, the benefits of new partnership agreements on ticketing are considered negligible. Operators would probably retain their own ticket offers - meaning the ticketing offer to passengers will retain a level of complexity. Changes to ticketing arrangements on a network basis would continue to be very challenging. For example, use of a single multi-operator ticket or introduction of flat fares would require significant negotiation with each individual operator to agree how subsidy payments and revenue reimbursement would work for different types and combinations of journeys. This considerable administrative burden and requirement for complex revenue redistribution processes would act as barriers to the introduction of simple, straightforward, affordable tickets for passengers. A successful network would tend to have an increasing number of two and three-leg journeys, which would further increase the complexity of revenue allocation – which would inevitably have winners and losers and would ultimately be incompatible with a deregulated competitive environment. Overall, the key benefit of a simple to understand 'freedom pass' ticket will be unachievable within a partnership approach.
Franchising	**Apply 1.43 minutes[47] GJT improvement to 50% of fare-paying journeys to account for simplified ticketing.** One ticket system for all services, giving passengers full everywhere-to-everywhere access across the bus network; effectively a 'freedom pass'. The simplicity of a single ticket system for all services and journeys is a critical aspect of allowing people to make a lifestyle choice to use buses to fulfil a significant proportion of their travel needs. Bus passengers would benefit from flexible use of ticketing products across different bus services. A simple, integrated ticketing system would facilitate multi-leg journeys without excessive cost by reducing the cost of journeys that currently require separate tickets. Proportion of trips affected reflects the fact that not all journeys would benefit from simplified ticketing (i.e. single leg trips, or those where multi-operator tickets are already available).
Statutory Partnerships Plus+	As per Statutory Partnerships.
Franchising Plus+	As per Franchising.

---

[47] Department for Transport. 2020. TAG Unit M 3.2 Public Transport Assignment

Benefits of Improved Corridor Speeds

Key assumptions for improved corridor speeds in each of the modelled scenarios are provided below in Table A2- 6.

Table A2- 6: Summary of Improved Corridor Speeds Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**No Impact** Infrastructure measures to improve corridor speeds are considered within the EQP+ scenario.
Franchising	**Minimal impact – benefits not quantified** Infrastructure measures to improve corridor speeds are considered within the Franchising+ scenario. There may be opportunities to improve bus journey times on some corridors by reducing over-bussing by improving co-ordination of services and rationalising headways. However this is likely to be limited to a limited number of corridors, and shorter sections of routes in urban centres, thus not considered significant.
Statutory Partnerships Plus+	**Journey time savings are applied based on examination of potential bus priority measures in the Cardiff (Major Urban), Wrexham (Town) and Pembrokeshire (Rural) case study networks. The proportion of passengers affected is weighted by the proportion of bus-kilometres operated on corridors with infrastructure improvements.** This measure would reduce OPEX and allow operators to improve journey speed and / or increase frequency (or to improve profitability). A partnership approach would seek to ensure that the operator and local authority are fully aligned in respect of the location and usage of bus priority measures. Infrastructure can however be inefficiently used (at a level less than planned) as there is no direct control over bus routes and frequencies. Inertia in planning and implementing bus schemes due to the lack of overall control of both main parties (the local authority and bus operator) can hinder investment of resources and commitment in the project development process.
Franchising Plus+	**Journey time savings are applied based on examination of potential bus priority measures in the Cardiff (Major Urban), Wrexham (Town) and Pembrokeshire (Rural) case study networks. The proportion of passengers affected is weighted by the proportion of bus-kilometres operated on corridors with infrastructure improvements.** In a franchised network, the local authority can ensure that bus priority measures are fully aligned with core service routes and that measures are properly targeted at major delay locations – and are well-maintained and operated by the highway authority. This will ensue the long-term maintenance, enforcement and usage of bus priority measures, provided governance arrangements allow responsibility for franchising and road allocation in the same place. Direct control of bus routing would speed up project planning processes, as infrastructure design and bus routing, frequency, and bus stop planning would be carried out as an integrated process from the outset. In practice, this would mean bus priority measures could be delivered quicker and at lower cost.

Benefits of Bus Stops / Transfer Hubs

Key assumptions for bus stops/transfer hubs in each of the modelled scenarios are provided below in Table A2- 7.

Table A2- 7: Summary of Bus Stops / Transfer Hubs Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**Apply a 0.45p benefit for paper timetables & 1.69[1] minute improvement for RTPI (at bus stops) to half of the level of passengers (compared to franchising scenario) in each case study network.** Whilst there should be more stability of bus timetables and routes than in the do-nothing case, there is also often a lag between information displayed at bus stops and changes to bus services by commercial operators. Multi-operator routes, branding and ticketing makes information and fares more complex to understand and display at bus stops. Network maps may only be available in some areas, or may only show the bus routes of the operator publishing them. Transfer is not a key feature of the present network and introduction of transfer hubs and facilities will need formal partnership agreement to ensure services will operate via the hubs. As a result, it is unlikely that the same number of passengers would have the benefit of better information and knowledge of services when compared to the franchising scenario, and the benefits are applied to half as many passengers in each of the case study networks.
Franchising	**Apply a 0.45p[48] benefit for paper timetables & 1.69[1] minute improvement for RTPI (at bus stops) to proportion of passengers affected in each case study network.** In a franchising scenario, fewer service numbers would call at most stops, particularly in urban areas. There would also be long-term certainty, and a stable network of bus services with consistent routes, numbering and branding. This would allow stops to become 'stations' (or 'hubs') – with better branding and information and accompanying facilities such as cycle parking/shared-bike rental able to be installed within a comprehensive and planned mobility network. Changes to bus schedules would be limited within a franchise regime – with a reduced need for frequent updates of timetable information at stops. Transfers between bus services would be a key feature of a franchised, joined-up, unified network – and planned introduction of transfer hubs and facilities is a major benefit of having control over where buses run e.g. feeder buses connect with core high frequency services at bus hubs. The benefits identified are applied as a proxy for passengers having better information and knowledge of services at improved bus stop/interchange facilities.
Statutory Partnerships Plus+	**Apply a 1.08[1] minute improvement to proportion of passengers using new bus stops in each case study network.** With a Partnership in place, there should be more stability of bus timetables and routes and bus stops upgrades can take place.
Franchising Plus+	**Apply a 1.08[1] minute improvement to proportion of journeys for new bus shelters, 0.45p[2] benefit for paper timetables & 1.69[1] minute improvement for RTPI (at bus stops) to proportion of passengers affected in each case study network.** Stops would be upgraded to a uniform standard with better branding and information, and facilities such as cycle parking/shared-bike rental. Changes to bus schedules would be limited with a reduced need for frequent updates of timetable information at stops.

---

[48] Steer Davies Gleave. 2004. Valuation of Station Facilities, Draft Final Report to GMPTE.

Benefits of Improved Bus Boarding / Alighting

Key assumptions for bus boarding/alighting in each of the modelled scenarios are provided below in Table A2- 8.

Table A2- 8: Summary of Boarding / Alighting Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**No Impact.** Operators are migrating to smart/cashless boarding, but urban operators have shown no inclination to modify their fleet to double door vehicles with for improved boarding/alighting. Hence boarding / alighting times will remain as a significant proportion of the overall journey time (which can be as much as 30% for urban bus routes). Including a move to multi-door operation and boarding / alighting would not be realistically achievable under a partnership due to the major long-term commitment involved in vehicle configuration and associated ticketing / revenue enforcement arrangements.
Franchising	**A 5% journey time improvement is applied to Major Urban and Town networks as multiple door boarding is rolled out across the fleet. No adjustment is applied to rural networks. The proportion of passenger journeys affected is consistent with the profile of fleet improvements as noted in the Vehicle Quality line.** Franchising will enable a planned a long-term transition to buses with multiple doors (primarily in urban areas) – which together with on-board tap-on ticketing facilities will significantly ease boarding (with associated reduced dwell time). Previous analysis by pteg[49] suggests that if all bus passengers were to switch to pre-paid tickets, bus operating costs could fall by 3% due to lower journey times and demand would increase by 3.8%. The addition of multiple door boarding would provide further journey time savings. A 5% journey time improvement is considered conservative based on analysis of existing dwell times on urban corridors in Wales. No adjustment is applied to rural networks, on the basis that bus stop dwell times do not form as considerable delays when compared with urban corridors.
Statutory Partnerships Plus+	As per Statutory Partnerships.
Franchising Plus+	As per Franchising.

---

[49] pteg. 2015. Public Transport Ticketing Schemes Block Exemption Review (CMA) – Consultation Response

Benefits of Vehicle Quality & Decarbonisation

Key assumptions for vehicle quality and decarbonisation in each of the modelled scenarios are provided below in Table A2- 9.

Table A2- 9: Summary of Vehicle Quality & Decarbonisation Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**Decarbonisation benefits of zero emission bus fleet quantified. Assumed Net Zero Wales commitments are not met (100% of the service bus fleet to be zero emission by 2040).** **Apply following adjustments: Modern, comfy bus with Wi-Fi and chargers: 6p (Fare-Payers) & 2.20 minutes (Conc.). Proportion of trips affected is in line with the roll out of new fleet.** Partnerships could involve agreement on vehicle types and propulsion systems. However, operators would need financial support to transition to zero emission buses and would be likely to require funding. The transition would be piecemeal with separate agreements for funding for each operator.
Franchising	**Decarbonisation benefits of zero emission bus fleet quantified. Assumed Net Zero Wales commitments are met (i.e. 100% of the service bus fleet to be zero emission by 2035).** **Apply following adjustments: Modern, comfy bus with Wi-Fi and chargers: 6p (Fare-Payers) & 2.20[50] minutes (Conc.). Proportion of trips affected is in line with the roll out of new fleet.** Franchising is likely to have an economy of scale cost-reduction benefit if buses are purchased via franchising authorities – and could also enable a greater scope for identifying additional funding plan e.g. developers could potentially fund a fleet upgrade on a particular service line. An organised, Wales-wide programme for transitioning to zero emission buses would potentially provide a basis for a planned cascading of zero emission buses throughout Wales.
Statutory Partnerships Plus+	As per Statutory Partnerships.
Franchising Plus+	As per Franchising.

---

[50] Steer Davies Gleave. 2017. West Yorkshire Stated Preference Research Final Report

Benefits of Information, Branding & Marketing

Key assumptions for information, branding and marketing in each of the modelled scenarios are provided below in Table A2- 10.

Table A2- 10: Summary of Information, Branding & Marketing Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**Apply a 0.49 minute[51] GJT adjustment to 50% of trips** A single online real time platform and ticketing arrangements could be included as part of online journey planners. However, ticketing arrangements and network maps would remain somewhat complex with overlap of different operators' services and would not be available to all customers. Individual bus operators would generally seek to continue to control marketing of their services, perhaps with an overarching network brand.
Franchising	**Apply a 0.49 minute[12] GJT adjustment to 100% of trips** Under franchising, there would be a unified brand if bus services in Wales and a single, clear point of contact with comprehensive information provided through various channels (e.g. on buses, at stops and stations, and on the web). All services would be included in a single information platform, with integrated information on other transport modes (e.g. rail, shared mobility services). A single network brand in an area matches with the concept of a unified network. A unified brand will ensure that the network is simple to understand and easily recognisable, giving customers confidence in using the public transport network. Network maps to be produced which will be easy to understand with limited overlap and information on transfer possibilities provided due to no competition barrier between different services. Marketing could be aligned to local authority and Welsh Government priorities e.g. climate change, health, air quality issues etc. There are opportunities to promote and market network benefits to bus users/public.
Statutory Partnerships Plus+	As per Statutory Partnerships.
Franchising Plus+	As per Franchising.

---

[51] Department for Transport. 2020. TAG Unit M 3.2 Public Transport Assignment - apply 29% for Web Based Information (Table 2 - Valuation of Information Provision) to the RTPI at 1.69 (TAG Table M 3.2.1)

Benefits of Wider Transport Policy

In respect of assessing potential patronage increases due to improved bus networks, application of elasticity-based assessment of demand within this RIA, according to the guidance outlined in WebTAG, is considered a conservative approach. Whilst this approach is widely used, for example in rail patronage forecasting, it does not fully account for step-changes in connectivity due to the fact that it is based on factoring existing bus usage. If demand between an origin-destination pair is very small, application of a significant GJT improvement results in only a small uplift. In considering a comprehensive investment in an integrated public transport network to improve connectivity right across the network, additional mode shift to public transport is likely to be much larger.

In addition to the impacts of significant connectivity improvements, consideration of longer-term elasticities resulting from sustained investment in public transport and measures to manage demand for car trips is required. Llwybr Newydd[52] sets out Welsh Government's transport ambitions to 2040, and includes the following measures which are pertinent to consideration of the long-term impact of policy on potential demand for buses:

- target of 45% of journeys to be made by public transport, walking and cycling by 2040;
- target of 30% of the workforce to work at or near to home on a regular basis;
- deliver a strategy for fair road-user charging in Wales as part of a broader package of measures to improve travel choices;
- Support measures that move away from individual vehicle ownership to shared solutions, including car-sharing, car clubs, bike sharing and Mobility-as-a-Service (MaaS);

Similar ambitions to reduce the number of journeys taken by private cars and increase the number of people walking, cycling and using public transport. are reflected in other policy, including:

- An aim is to reduce the number of car miles travelled per person by 10% by 2030[53];
- Place based approach to land use development, promoting transit orientated development, focusing higher density and mixed-use development around public transport stations and stops and promotion of car-free and low car developments in accessible locations[54]; and
- Carrying out a review of Welsh Government's support for projects to increase road capacity[55].

It is recognised that supporting a step-change, high growth, modal shift to buses (and trains) will require a large capital investment and ongoing revenue support beyond the current level. Over time, this wider transport policy context, supported by continued investment in the public transport network, is likely to influence perceptions of public transport and support lifestyle choices which mean that more journeys are made by bus (e.g. to reduce household car ownership or to change work/home location).

---

[52] Welsh Government. 2021. Llwybr Newydd: the Wales Transport Strategy

[53] Welsh Government. 2021. Net Zero Wales: Carbon Budget 2 (2021-2025)

[54] Welsh Government. 2021. Future Wales: The National Plan 2040

[55] Welsh Government. 2021. Roads Review

The key assumptions to account for impacts of wider transport policy in each of the modelled scenarios are provided below in Table A2- 11.

Table A2- 11: Summary of Wider Transport Policy Modelling Assumptions by Scenario

Scenario	Summary of Modelling Assumptions
Statutory Partnerships	**Wider Transport Policy Not Included** Purpose of this scenario is to consider the impact of changes to the regulatory framework for buses in isolation to allow direct comparison between options.
Franchising	**Wider Transport Policy Not Included** Purpose of this scenario is to consider the impact of changes to the regulatory framework for buses in isolation to allow direct comparison between options.
Statutory Partnerships Plus+	**Apply demand multiplier of 2.9 (as per growth in Franchising Plus+ scenario) to account for impact of Wider Transport Policy measures such as road user charging** Uplift consistent with Franchising+ scenario to allow direct comparison between scenarios. As this is applied to a lower base demand, the target mode share target set out in Llwybr Newydd would not be met by 2040. It is noted that partnerships will require agreement between operators and local authorities, and compromises may have to be made in terms of what is deliverable. The commercial imperative for operators will be to some extent incompatible with fixing a long-term operational plan needed to create certainty for improvement measures. In addition, agreed network arrangements would require renegotiation every time a 3rd party bus operator intended to operate a new service. As a result, the network is unlikely to be as stable as under franchise arrangements. This would cause significant risks in relation to investment and policy decisions, meaning that wider transport policy would have as significant an impact. That said, it is difficult to assess the potential long-term impacts of wider policy measures with partnerships in place. Use of the same growth rate as the Franchising Plus+ scenario provides a best-case scenario, and a basis for like for like comparison. Although, for the reasons set out above, there are significant risks associated with network stability in a partnership model, and franchising is considered to provide significantly sounder basis for locking-in the benefits of wider transport policy.
Franchising Plus+	**Apply demand multiplier of 2.9 to align with mode share targets set out in Llwybr Newydd** Equivalent to trebling bus patronage in Wales by 2040 (2018 base year), which is considered consistent with meeting the mode share target set out in Llwybr Newydd. A franchised arrangement will provide long-term, stable and coherent network. This provides a sound basis for incorporating additional investment in public transport infrastructure and policy measures to reduce the number of journeys taken by private cars would have maximum effect.

How can high growth in bus patronage be achieved?

Potential changes in how often people use buses has been investigated to understand how realistic a future high growth bus scenario is. The baseline from which to consider future growth is that current usage of buses in Wales is approximately 100M trips per year (in 2018), which equates to an average 32 trips per person per year. In practice, usage varies from well over 200 trips per year for some people for whom public transport is convenient, to virtually no trips at all for some people.

In order to understand how a step change increase in bus use could be achieved, a potential future scenario has been built based on the following steps

(1) Survey data collected for South West Wales[56] provides a basis to understand how public transport usage varies amongst the population. The data provides a range of categories of frequency of bus use (from daily use to less than monthly) and shows the proportion of people in each category of use, including those who never use bus.

(2) Similar survey data for Germany has been identified which shows typical bus and rail use for each category of use (per week and per month);

(3) The two sets of data have been compared, from which an illustrative scenario for Wales has been built. This scenario shows that if bus use in Wales jumps one category of use, then a tripling of overall trips could result. For example, this growth scenario would involve people who currently use buses twice a month increasing their use to twice per week.

Data for this illustrative example of how bus use could increase substantially is shown in Table A2- 12 which shows a typical frequency of bus use per week in South West Wales, with an approximate average bus use per head of 37 (which is broadly equivalent to the average Wales bus usage in 2014[57]), and for train trips at 10 trips per head per year[58]. For Germany, the equivalent public transport use per inhabitant per year (in 2018) is estimated at 104 i.e. around 2½ times greater than usage in Wales.

---

[56] SWWITCH. 2014. South West Wales Travel Pattern Survey

[57] Department for Transport. 2021. BUS0108: Passenger journeys on local bus services by region: Great Britain, annual since 1970

[58] Welsh Government. 2018. Statistical Bulletin: Rail transport, April 2017 to March 2018

Table A2- 12: Illustrative example of existing bus mode share

Frequency of Use category	Bus Use (Wales example)			Train Use (Wales example)			Germany - all PT		
	Trips/ month [4]	Percentage [1]	Trips/1000 people	Trips/ month	Percentage [2]	Trips/1000 people	Trips/ month	Percentage [3]	Trips/1000 people
Daily	40	2.3%	920	40	1.0%	400	50	13%	6500
1-3 days/week	16	13.8%	2208	12	1.1%	132	20	10%	2000
1-3 days/month	4	3.9%	156	4	4.7%	188	5	13%	650
Less than monthly	1	7.2%	72	1	22.4%	224	1.2	22%	264
Never	0	72.8%	0	0	70.7%	0	0	41%	0
Total trips per 1000 people/month	-	100%	3356	-	100%	944	-	99%	9414
Average Trips/year/person/year [4]	-	-	37	-	-	10	-	-	104

Notes:

1. *Based on Pembrokeshire data from South West Wales Travel Pattern Survey 2014 (SWWITCH); to represent average values for Wales*
2. *Based on South West Wales data from South West Wales Travel Pattern Survey 2014 (SWWITCH); to represent average values for Wales*
3. *Based on Mobility in Germany; 2018 data[59]. Trip numbers per month have been increased by a factor of 1.25 to represent more trip-making per day in Germany where public transport is more comprehensive.*
4. *Total trips per year is assumed to be a multiplier of 11 x 1 month of trips to allow for holiday, illness, weather etc for say 1 month when residents to not make local trips.*

Inspection of data for public transport usage in Germany (in Table A2- 12) shows that the difference between Wales and Germany is that the frequency of weekly usage in Germany is effectively a category higher than is the case in Wales. For example, in Wales, around 14% of people use buses between once and three times per week, whereas in Germany 13% of people use public transport on a daily basis[59].

Table A2- 13 provides an illustrative basis for a future high growth scenario for Wales, in which the use of buses is assumed to increase by one 'frequency of use' category. For example, people who currently use buses 1-3 times a month increase their usage to 1-3 times per week and so on. The proportion of people who never use buses has been reduced to 41% to match average German public transport usage. As can be seen in Table A2- 13, this high growth scenario results in bus usage at around three times current use (at 105 trips per inhabitant, compared to a baseline of 37 trips per inhabitant), and it is also noted that over 95% of these bus trips are made by people who already use buses.

---

[59] Federal Ministry of Transport and Digital Infrastructure. 2019. Mobility Trends in Germany

Table A2- 13: Illustrative example of potential future bus mode share

Frequency of Use category	Bus Use (Existing estimation)			Bus Use (Potential future estimation)		
	Trips/ month	Percentage	Trips/1000 people	Trips/ month	Percentage	Trips/1000 people
Daily	40	2.3%	920	50	16.1%	8050
1-3 days/week	16	13.8%	2208	20	3.9%	780
1-3 days/month	4	3.9%	156	5	7.2%	360
Less than monthly	1	7.2%	72	1.2	31.8%	382
Never	0	72.8%	0	0	41.0%	0
Total trips per 1,000 people/month	-	100%	3,356	-	100%	9,572
Average Trips/year/person/year	-	-	37	-	-	105

It is concluded that a high growth bus patronage scenario (of around two to three times current usage) represents a plausible target and potential realistic outcome, with bus as a key part of a multi-modal metro system across Wales, and appropriate investment and governance in place, including policy-based initiatives to promote use of public transport over private car travel and investment in s for the most densely populated parts of Wales.

It should be noted that this representation of future bus trips per inhabitant is not intended to represent a forecast but is instead meant as an illustrative example of how people's willingness to use bus more can translate into a significantly higher mode use.

Aligning the Economic Appraisal with Welsh Government's Strategic Objectives

Overview

Welsh Government have set out ten strategic well-being objectives in the Programme for Government[60]. These priorities are reflected in the new Wales Transport Strategy, Llwybr Newydd[61] which sets out the Welsh Government's specific priorities for transport in detail.

Drawing on, and synthesising, the well-being objectives, the specific commitments set out in the Programme for Government and Llwybr Newydd, key Welsh Government values pertinent to this RIA comprise:

- Promoting well-being and health;
- Addressing climate change;
- Promoting social justice; and
- Improving the quality of jobs and increasing employment.

This section describes how general principles set out in the Green Book[62] have been applied in a way that is fully aligned with the values and strategic transport objectives of the Welsh Government, taking each of the strategic objectives above in turn. Adjustments to the modelling are applied consistently across all scenarios.

Promoting well-being and health

It is recognised that transport has a wide range of implications on both health and general well-being. There is a large body of evidence linking active travel to better health and well-being outcomes, with successful projects showing high value for money once the health benefits are monetised.

Increased use of bus services is associated with greater levels of walking amongst passengers to access/egress to/from bus stops. The World Health Organisation (WHO) Health Economic Assessment Tool (HEAT) has been used to estimate the monetised health benefits of increased walking to and from bus stops. HEAT is an open-source online tool used to estimate the value of reduced mortality that results from regular walking or cycling. It calculates the economic value of mortality rate improvements as a result of a specified increase in walking/cycling distances due to transport interventions, with the aim of facilitating evidence-based decision-making. HEAT is recognised as an industry standard

---

[60] Welsh Government. 2021. Programme for government 2021 to 2026: Well-being statement

[61] Welsh Government. 2021. Llwybr Newydd: The Wales Transport Strategy

[62] HM Treasury. 2020. The Green Book: central government guidance on appraisal and evaluation

tool and has been applied on several active travel related projects across the UK[63,64,65], including in Wales[66], to make the case for investment.

Based on input parameters specifically for Wales, a unit rate of £853 has been obtained from HEAT, which is an estimate of the annual economic value of reduced mortality per person, per kilometre of additional walking. This unit rate is applied in the model to for trips switching from car to bus (calculated based on WebTAG diversion factors) to account for additional walking to/from bus trips, based on an additional walk of 1,160m per bus trip (580m access to origin bus stop and 580m egress from destination bus stop)[67].

However there is also likely to be some disbenefit resulting from current walking trips that switch to bus as a result of improved service provision. To account for this, it is assumed that existing walking trips switching to bus (calculated based on WebTAG diversion factors). Would involve 570m less walking, based on an average walking trip distance (1,150m[20]) minus the average walk to a bus stop (580m[20]). This assumes that people switching to bus would walk half as far to a bus stop on average, as journeys with a shorter walking distance to bus stops are more in scope to be replaced by bus trips, rather than walking the whole way.

Other health benefits would arise from improved local air quality and reduced noise, associated with mode shift from car to cleaner, ultra-low emission buses. In addition, factors such as journey time reliability, crowding and comfort all affect passenger satisfaction and could have a positive impact on wellbeing. Whilst these impacts could be significant, they have not been quantified at this stage.

Addressing climate change

The impacts of climate change and associated adaptation and mitigation measures are a key concern for the Welsh Government both in the short and long term. All projects must adhere to carbon budgets and need to align with achieving net zero carbon emissions by 2050.

Carbon prices are a central element in determining the environmental impact of a project. The Green Book uses carbon prices[68] that are aligned with Welsh Government policies and that thus adhere to the goal of net-zero emissions in 2050. To reflect uncertainty in quantifying the cost of carbon emissions, the guidelines provide a central estimate, accompanied by higher and lower series. The higher series has been used in the economic appraisal to reflect the high focus the Welsh Government has on reducing carbon emissions.

Quantifying local air pollution and noise form another vital part of understanding the environmental impacts of policy. The economic benefits associated with mode share to bus are included within the appraisal as part of the Marginal External Costs (MECs) calculations, based on WebTAG guidance.

---

[63] Transport for London. 2015. Valuing the health benefits of transport schemes

[64] Transport for Greater Manchester. 2013. Vélocity 2025: A cycling plan for 2025 and beyond

[65] SEStran. 2020. Cross boundary active travel routes, connecting people and places

[66] NRW. 2014. Economic assessment of the health benefits of walking the Wales Coast Path

[67] WYG. 2015. How far do people walk?

[68] BEIS. 2021. Valuation of greenhouse gas emissions: for policy appraisal and evaluation

> **Discount rate**
>
> The Green Book applies a standard discount rate of 3.5% per annum to future benefits and costs. In effect, this discount rate gives preference to present benefits over future benefits, reflecting the view that people generally prefer to receive goods and services now rather than later.
>
> The Green Book provides scope for appraisals to use lower discount rates in appropriate cases to ensure that very long-term costs and benefits are given proper consideration. In order to reflect Welsh Government's long-term view and consideration of the impact of policy decisions on future generations rather than a focus on short term impacts, a lower discount rate of 1.5% has been applied in the appraisal to benefits associated with health, well-being, and the environment. This means that long-term impacts on these items are not reduced by as much as other future benefits when performing BCR calculations.

Promoting social justice

Distributional Analysis

Promoting social justice and combatting the adverse effects of inequality are given high priority by the Welsh Government. Distributional analysis refers to the assessment of the impact of interventions on different groups in society. Although it is not proportionate to conduct a full assessment of distributional impacts at this stage, the HM Treasury Green Book provides a technique to assess the impact on people of different income levels.

Distributional weights that reflect the economic principal of marginal utility of income have been applied in the modelling (i.e. that the value of an additional pound of income is higher for a low-income individual than a high-income individual). DfT National Travel Survey data on the number of bus trips per person per year by income quintile have been utilised (the data covers England, but the pattern is assumed to be the same for Wales). This shows that the distribution of bus passengers is 'skewed' towards the lower-income quintiles. This is combined with information on income in each quintile from the Department for Work and Pensions and the recommended Green Book marginal utility of income (1.3) to produce weights to apply to the user benefits estimates.

Social Value

While most interventions are modelled through adjustments to GJTs or costs, there are some exceptions, in which interventions have been modelled as a direct uplift in demand, without a corresponding change in GJT or cost. For example, in the case of the provision of extra Sunday services, the effect of the intervention is to provide users with a travel opportunity that would not otherwise be available. Such an improvement does not lend itself to measurement through changes in GJT.

In such cases, a 'Social Value' methodology has been employed. The social value of bus travel refers to the principle that the provision of bus services enables certain trips that would otherwise not be made at all, thereby allowing people to undertake a wider range of activities. The guidance in WebTAG, which is based on a 2013 study[69], provides a

---

[69] Mott Macdonald. 2013. Valuing the social impacts of public transport

methodology for splitting out the social benefit of a bus proposal from the overall impact as calculated using the rule of half.

The values identified in Table A2- 14, as set out in WebTAG are applied in the model to monetise the value of wholly 'new' bus trips, that would not take place if the bus service were not available (based on values provided in WebTAG)

Table A2- 14: Value of Social Impact

Value of social impact per return bus trip that would not be made (2010 prices)	
Concessionary Pass Holder	£3.84
Non-Holder	£8.17

Improving the quality of jobs and increasing employment

Agglomeration Impacts

Helping disadvantaged groups access employment and improving the quality of jobs, productivity and pay are key priorities for the Welsh Government. Improved bus networks can promote the effective matching of people to jobs and lead to better employment prospects as well as increasing effective economic mass and other benefits such as widening labour pools for businesses.

Improved bus networks, particularly in major urban areas could improve employment accessibility and labour supply, therefore having a direct impact on wage earnings and job choices[70]. These agglomeration benefits can be calculated quantitatively to using expected density changes to calculate productivity[71], however this has not been undertaken at this stage due to limited data available for the Welsh context. Instead, these impacts are referred to qualitatively within the RIA.

---

[70] Börjesson et al. 2019. Agglomeration, productivity and the role of transport system improvements

[71] Graham, D. and Gibbons, S. 2018. Quantifying Wider Economic Impacts of Agglomeration for Transport Appraisal: Existing Evidence and Future Directions

Appendix 3: Cost and Benefits Estimates Summary

Adjusted Cost and Benefits Estimates Summary

A breakdown of estimates of costs and benefits for the four scenarios as presented in the RIA are included in the following tables:

Table A3- 1: Cost and benefit estimates for Statutory Partnerships (2020 prices);

Table A3- 2: Cost and benefit estimates for Statutory Partnerships Plus+ (2020 prices);

Table A3- 3: Cost and benefit estimates for Franchising (2020 prices); and

Table A3- 4: Cost and benefit estimates for Franchising Plus+ (2020 prices).

These results include the following adjustments made in the economic appraisal to align with Welsh Government's strategic objectives, described further in Appendix 2:

- Income distribution uplift factor included (taken from Green Book guidance on distributional weightings)

- High carbon values used (as opposed to central values, as per WebTAG)

- Lower discount rate of 1.5% applied to benefits associated with health, well-being, and the environment

Unadjusted Cost and Benefits Estimates Summary

The second set of tables show unadjusted estimates of costs and benefits for the four scenarios, with standard Green Book inputs applied. These results are not presented within the RIA, but are included here for comparison purposes:

Table A3- 5: Cost and benefit estimates for Statutory Partnerships (Unadjusted, 2020 prices);

Table A3- 6: Cost and benefit estimates for Statutory Partnerships Plus+ (Unadjusted, 2020 prices);

Table A3- 7: Cost and benefit estimates for Franchising (Unadjusted, 2020 prices); and

Table A3- 8: Cost and benefit estimates for Franchising Plus+ (Unadjusted, 2020 prices).

In overview, it can be seen that the adjustments recommended by Treasury guidance to place higher value on Welsh Government objectives produce an uplift in the BCR values in the order of 50%.

Note on presentation of public funding / subsidy costs

For transparency, the economic modelling for this RIA retains line items that show the existing funding mechanisms – 'Concessionary Reimbursement' and 'BSSG' – and the changes to their amounts resulting from any interventions. The 'Change in Public Funding' line considers any additional change to funding requirements above and beyond the existing defined mechanisms.

In practice, under a franchising model concessionary fare reimbursement and BSSG payments could be stopped, with payments to operators streamlined under a contract agreed with the franchising authority. The net effect on the public transport budget would be the same whether the funding comes from concessionary reimbursement or a contract fee, as, if subsidy/reimbursement payments were scrapped then operators would expect an additional contract fee to make up for lost revenue and maintain profitability.

Likewise, in the modelling, rearranging costs between 'Concessionary Reimbursement', 'BSSG' and 'Change in Public Funding' line items does not affect the overall size of the Present Value of Costs or Present Value of Benefits. As franchising arrangements are yet to be fully defined, for the purposes of this RIA, the presentation of these line items is consistent in all scenarios to allow direct comparison between the franchising and quality partnerships options, and avoid getting lost in the detail of exactly how different pots of funding will be named/defined in future

Table A3- 1: Cost and benefit estimates for Statutory Partnerships (2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	Total
Costs							
WG Setup	WG/TfW	Transitional Costs	£0.2 M	-	-	-	**£0.2 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£3.1 M	-	-	**£3.1 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	£4.8 M	-	-	**£4.8 M**
Operators Setup	Operators	Transitional Costs	-	-	£5.2 M	-	**£5.2 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£8.0 M	-	**£8.0 M**
WG Recurring	WG/TfW	Recurring Costs	£7.9 M	-	-	-	**£7.9 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£13.8 M	-	-	**£13.8 M**
Operators Recurring	Operators	Recurring Costs	-	-	£13.8 M	-	**£13.8 M**
Capex	WG/TfW	Capital Costs	£23.5 M	-	-	-	**£23.5 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	-	-	-	**-**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£88.7 M	-	-	-	**£88.7 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£48.5 M	-	-	-	**-£48.5 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£142.7 M	-	**£142.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£88.7 M	-	**£88.7 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£48.5 M	-	**-£48.5 M**
Operator Opex	Operators	Financial Benefits	-	-	-£222.6 M	-	**-£222.6 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£1,748.3 M	**£1,748.3 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£94.0 M	**£94.0 M**
Congestion	Users	Economic Benefits	-	-	-	£34.7 M	**£34.7 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£7.8 M	**£7.8 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£36.5 M	**£36.5 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£41.1 M	**-£41.1 M**
Summary							
Capital Costs			£23.5 M	-	-	-	£23.5 M
Transitional Costs			£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs			£110.0 M	£13.8 M	£13.8 M	-	£137.7 M
Total Costs			**£133.7 M**	**£21.8 M**	**£27.1 M**	**-**	**£182.6 M**
Financial Benefits			-	-	£22.3 M	-	£22.3 M
Economic Benefits			-	-	-	£1,880.1 M	£1,880.1 M
Total Benefits			**-**	**-**	**£22.3 M**	**£1,880.1 M**	**£1,902.4 M**
Net Present Value (+ve = net benefit)			**-£133.7 M**	**-£21.8 M**	**-£4.9 M**	**£1,880.1 M**	**£1,719.7 M**
BCR							**10.4**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 2: Cost and benefit estimates for Statutory Partnerships Plus+ (2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	**Total**
Costs							
WG Setup	WG/TfW	Transitional Costs	£0.2 M	-	-	-	**£0.2 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£3.1 M	-	-	**£3.1 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	£4.8 M	-	-	**£4.8 M**
Operators Setup	Operators	Transitional Costs	-	-	£5.2 M	-	**£5.2 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£8.0 M	-	**£8.0 M**
WG Recurring	WG/TfW	Recurring Costs	£7.9 M	-	-	-	**£7.9 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£13.8 M	-	-	**£13.8 M**
Operators Recurring	Operators	Recurring Costs	-	-	£13.8 M	-	**£13.8 M**
Capex	WG/TfW	Capital Costs	£3,422.8 M	-	-	-	**£3,422.8 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	£2,338.8 M	-	-	**£2,338.8 M**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£1,209.5 M	-	-	-	**£1,209.5 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£2,913.3 M	-	-	-	**-£2,913.3 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£1,843.7 M	-	**£1,843.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£1,209.5 M	-	**£1,209.5 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£2,913.3 M	-	**-£2,913.3 M**
Operator Opex	Operators	Financial Benefits	-	-	-£183.5 M	-	**-£183.5 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£4,304.9 M	**£4,304.9 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£1,367.8 M	**£1,367.8 M**
Congestion	Users	Economic Benefits	-	-	-	£502.1 M	**£502.1 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£108.7 M	**£108.7 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£113.0 M	**£113.0 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£433.3 M	**-£433.3 M**
Summary							
Capital Costs			£3,422.8 M	-	-	-	£3,422.8 M
Transitional Costs			£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs			-£1,633.9 M	£2,352.6 M	£13.8 M	-	£732.5 M
Total Costs			**£1,789.1 M**	**£2,360.6 M**	**£27.1 M**	**-**	**£4,176.8 M**
Financial Benefits			-	-	£18.4 M	-	£18.4 M
Economic Benefits			-	-	-	£5,963.2 M	£5,963.2 M
Total Benefits			**-**	**-**	**£18.4 M**	**£5,963.2 M**	**£5,981.5 M**
Net Present Value (+ve = net benefit)			**-£1,789.1 M**	**-£2,360.6 M**	**-£8.8 M**	**£5,963.2 M**	**£1,804.7 M**
BCR							**1.4**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 3: Cost and benefit estimates for Franchising (2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	**Total**
Costs							
WG Setup	WG/TfW	Transitional Costs	£12.4 M	-	-	-	**£12.4 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£51.9 M	-	-	**£51.9 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	-	-	-	**-**
Operators Setup	Operators	Transitional Costs	-	-	£16.8 M	-	**£16.8 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£10.2 M	-	**£10.2 M**
WG Recurring	WG/TfW	Recurring Costs	£15.7 M	-	-	-	**£15.7 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£73.7 M	-	-	**£73.7 M**
Operators Recurring	Operators	Recurring Costs	-	-	-	-	**-**
Capex	WG/TfW	Capital Costs	£23.1 M	-	-	-	**£23.1 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	-	-	-	**-**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£158.3 M	-	-	-	**£158.3 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£252.3 M	-	-	-	**-£252.3 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£273.7 M	-	**£273.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£158.3 M	-	**£158.3 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£252.3 M	-	**-£252.3 M**
Operator Opex	Operators	Financial Benefits	-	-	-£219.7 M	-	**-£219.7 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£3,419.7 M	**£3,419.7 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£177.4 M	**£177.4 M**
Congestion	Users	Economic Benefits	-	-	-	£67.4 M	**£67.4 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£15.0 M	**£15.0 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£151.5 M	**£151.5 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£124.2 M	**-£124.2 M**
Summary							
Capital Costs			£23.1 M	-	-	-	£23.1 M
Transitional Costs			£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs			-£16.3 M	£73.7 M	-	-	£57.4 M
Total Costs			**£19.2 M**	**£125.7 M**	**£27.0 M**	**-**	**£171.8 M**
Financial Benefits			-	-	£22.0 M	-	£22.0 M
Economic Benefits			-	-	-	£3,706.8 M	£3,706.8 M
Total Benefits			**-**	**-**	**£22.0 M**	**£3,706.8 M**	**£3,728.7 M**
Net Present Value (+ve = net benefit)			**-£19.2 M**	**-£125.7 M**	**-£5.0 M**	**£3,706.8 M**	**£3,556.9 M**
BCR							**21.7**
Notes							

1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)

Table A3- 4: Cost and benefit estimates for Franchising Plus+ (2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	Total
Costs							
WG Setup	WG/TfW	Transitional Costs	£12.4 M	-	-	-	**£12.4 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£51.9 M	-	-	**£51.9 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	-	-	-	**-**
Operators Setup	Operators	Transitional Costs	-	-	£16.8 M	-	**£16.8 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£10.2 M	-	**£10.2 M**
WG Recurring	WG/TfW	Recurring Costs	£15.7 M	-	-	-	**£15.7 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£73.7 M	-	-	**£73.7 M**
Operators Recurring	Operators	Recurring Costs	-	-	-	-	**-**
Capex	WG/TfW	Capital Costs	£3,412.1 M	-	-	-	**£3,412.1 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	£2,333.8 M	-	-	**£2,333.8 M**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£1,363.9 M	-	-	-	**£1,363.9 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£3,351.2 M	-	-	-	**-£3,351.2 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£2,127.2 M	-	**£2,127.2 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£1,363.9 M	-	**£1,363.9 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£3,351.2 M	-	**-£3,351.2 M**
Operator Opex	Operators	Financial Benefits	-	-	-£183.5 M	-	**-£183.5 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£7,231.0 M	**£7,231.0 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£1,552.6 M	**£1,552.6 M**
Congestion	Users	Economic Benefits	-	-	-	£574.5 M	**£574.5 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£124.5 M	**£124.5 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£133.8 M	**£133.8 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£498.1 M	**-£498.1 M**
Summary							
Capital Costs			£3,412.1 M	-	-	-	£3,412.1 M
Transitional Costs			£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs			-£1,909.6 M	£2,407.5 M	-	-	£497.8 M
Total Costs			**£1,514.8 M**	**£2,459.4 M**	**£27.0 M**	**-**	**£4,001.2 M**
Financial Benefits			-	-	£18.4 M	-	£18.4 M
Economic Benefits			-	-	-	£9,118.4 M	£9,118.4 M
Total Benefits			**-**	**-**	**£18.4 M**	**£9,118.4 M**	**£9,136.8 M**
Net Present Value (+ve = net benefit)			**-£1,514.8 M**	**-£2,459.4 M**	**-£8.6 M**	**£9,118.4 M**	**£5,135.6 M**
BCR							**2.3**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 5: Cost and benefit estimates for Statutory Partnerships (Unadjusted, 2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	Total
Costs							
WG Setup	WG/TfW	Transitional Costs	£0.2 M	-	-	-	**£0.2 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£3.1 M	-	-	**£3.1 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	£4.8 M	-	-	**£4.8 M**
Operators Setup	Operators	Transitional Costs	-	-	£5.2 M	-	**£5.2 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£8.0 M	-	**£8.0 M**
WG Recurring	WG/TfW	Recurring Costs	£7.9 M	-	-	-	**£7.9 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£13.8 M	-	-	**£13.8 M**
Operators Recurring	Operators	Recurring Costs	-	-	£13.8 M	-	**£13.8 M**
Capex	WG/TfW	Capital Costs	£23.5 M	-	-	-	**£23.5 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	-	-	-	**-**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£88.7 M	-	-	-	**£88.7 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£48.5 M	-	-	-	**-£48.5 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£142.7 M	-	**£142.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£88.7 M	-	**£88.7 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£48.5 M	-	**-£48.5 M**
Operator Opex	Operators	Financial Benefits	-	-	-£222.6 M	-	**-£222.6 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£1,173.3 M	**£1,173.3 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£65.5 M	**£65.5 M**
Congestion	Users	Economic Benefits	-	-	-	£34.7 M	**£34.7 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£7.2 M	**£7.2 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£17.7 M	**£17.7 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£41.1 M	**-£41.1 M**
Summary							
Capital Costs			£23.5 M	-	-	-	£23.5 M
Transitional Costs			£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs			£110.0 M	£13.8 M	£13.8 M	-	£137.7 M
Total Costs			**£133.7 M**	**£21.8 M**	**£27.1 M**	**-**	**£182.6 M**
Financial Benefits			-	-	£22.3 M	-	£22.3 M
Economic Benefits			-	-	-	£1,257.3 M	£1,257.3 M
Total Benefits			**-**	**-**	**£22.3 M**	**£1,257.3 M**	**£1,279.6 M**
Net Present Value (+ve = net benefit)			**-£133.7 M**	**-£21.8 M**	**-£4.9 M**	**£1,257.3 M**	**£1,096.9 M**
BCR							**7.0**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 6: Cost and benefit estimates for Statutory Partnerships Plus+ (Unadjusted, 2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	Total
Costs							
WG Setup	WG/TfW	Transitional Costs	£0.2 M	-	-	-	**£0.2 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£3.1 M	-	-	**£3.1 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	£4.8 M	-	-	**£4.8 M**
Operators Setup	Operators	Transitional Costs	-	-	£5.2 M	-	**£5.2 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£8.0 M	-	**£8.0 M**
WG Recurring	WG/TfW	Recurring Costs	£7.9 M	-	-	-	**£7.9 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£13.8 M	-	-	**£13.8 M**
Operators Recurring	Operators	Recurring Costs	-	-	£13.8 M	-	**£13.8 M**
Capex	WG/TfW	Capital Costs	£3,422.8 M	-	-	-	**£3,422.8 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	£2,338.8 M	-	-	**£2,338.8 M**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£1,209.5 M	-	-	-	**£1,209.5 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£2,913.3 M	-	-	-	**-£2,913.3 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£1,843.7 M	-	**£1,843.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£1,209.5 M	-	**£1,209.5 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£2,913.3 M	-	**-£2,913.3 M**
Operator Opex	Operators	Financial Benefits	-	-	-£183.5 M	-	**-£183.5 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£2,889.1 M	**£2,889.1 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£861.4 M	**£861.4 M**
Congestion	Users	Economic Benefits	-	-	-	£502.1 M	**£502.1 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£98.7 M	**£98.7 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£63.2 M	**£63.2 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£433.3 M	**-£433.3 M**
Summary							
Capital Costs			£3,422.8 M	-	-	-	£3,422.8 M
Transitional Costs			£0.2 M	£8.0 M	£13.3 M	-	£21.4 M
Recurring Costs			-£1,633.9 M	£2,352.6 M	£13.8 M	-	£732.5 M
Total Costs			**£1,789.1 M**	**£2,360.6 M**	**£27.1 M**	**-**	**£4,176.8 M**
Financial Benefits			-	-	£18.4 M	-	£18.4 M
Economic Benefits			-	-	-	£3,981.1 M	£3,981.1 M
Total Benefits			**-**	**-**	**£18.4 M**	**£3,981.1 M**	**£3,999.5 M**
Net Present Value (+ve = net benefit)			**-£1,789.1 M**	**-£2,360.6 M**	**-£8.8 M**	**£3,981.1 M**	**-£177.3 M**
BCR							**1.0**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 7: Cost and benefit estimates for Franchising (Unadjusted, 2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	**Total**
Costs							
WG Setup	WG/TfW	Transitional Costs	£12.4 M	-	-	-	**£12.4 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£51.9 M	-	-	**£51.9 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	-	-	-	**-**
Operators Setup	Operators	Transitional Costs	-	-	£16.8 M	-	**£16.8 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£10.2 M	-	**£10.2 M**
WG Recurring	WG/TfW	Recurring Costs	£15.7 M	-	-	-	**£15.7 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£73.7 M	-	-	**£73.7 M**
Operators Recurring	Operators	Recurring Costs	-	-	-	-	**-**
Capex	WG/TfW	Capital Costs	£23.1 M	-	-	-	**£23.1 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	-	-	-	**-**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£158.3 M	-	-	-	**£158.3 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£252.3 M	-	-	-	**-£252.3 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£273.7 M	-	**£273.7 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£158.3 M	-	**£158.3 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£252.3 M	-	**-£252.3 M**
Operator Opex	Operators	Financial Benefits	-	-	-£219.7 M	-	**-£219.7 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£2,295.0 M	**£2,295.0 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£120.2 M	**£120.2 M**
Congestion	Users	Economic Benefits	-	-	-	£67.4 M	**£67.4 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£13.8 M	**£13.8 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£82.4 M	**£82.4 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£124.2 M	**-£124.2 M**
Summary							
Capital Costs			£23.1 M	-	-	-	£23.1 M
Transitional Costs			£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs			-£16.3 M	£73.7 M	-	-	£57.4 M
Total Costs			**£19.2 M**	**£125.7 M**	**£27.0 M**	**-**	**£171.8 M**
Financial Benefits			-	-	£22.0 M	-	£22.0 M
Economic Benefits			-	-	-	£2,454.6 M	£2,454.6 M
Total Benefits			**-**	**-**	**£22.0 M**	**£2,454.6 M**	**£2,476.6 M**
Net Present Value (+ve = net benefit)			**-£19.2 M**	**-£125.7 M**	**-£5.0 M**	**£2,454.6 M**	**£2,304.8 M**
BCR							**14.4**
Notes							
1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)							

Table A3- 8: Cost and benefit estimates for Franchising Plus+ (Unadjusted, 2020 prices)

Item	Organisation	Summary Grouping	WG/TfW	LA/CJCs	Operators	Users	**Total**
Costs							
WG Setup	WG/TfW	Transitional Costs	£12.4 M	-	-	-	**£12.4 M**
LA Setup	LAs/CJCs	Transitional Costs	-	£51.9 M	-	-	**£51.9 M**
LA Setup (Subsequent)	LAs/CJCs	Transitional Costs	-	-	-	-	**-**
Operators Setup	Operators	Transitional Costs	-	-	£16.8 M	-	**£16.8 M**
Operator Setup (Subsequent)	Operators	Transitional Costs	-	-	£10.2 M	-	**£10.2 M**
WG Recurring	WG/TfW	Recurring Costs	£15.7 M	-	-	-	**£15.7 M**
LA Recurring	LAs/CJCs	Recurring Costs	-	£73.7 M	-	-	**£73.7 M**
Operators Recurring	Operators	Recurring Costs	-	-	-	-	**-**
Capex	WG/TfW	Capital Costs	£3,412.1 M	-	-	-	**£3,412.1 M**
Infrastructure Opex	LAs/CJCs	Recurring Costs	-	£2,333.8 M	-	-	**£2,333.8 M**
Concessionary Reimbursement	WG/TfW	Recurring Costs	£1,363.9 M	-	-	-	**£1,363.9 M**
BSSG	WG/TfW	Recurring Costs	£61.9 M	-	-	-	**£61.9 M**
Change in Public Funding	WG/TfW	Recurring Costs	-£3,351.2 M	-	-	-	**-£3,351.2 M**
Benefits							
Operator Revenue	Operators	Financial Benefits	-	-	£2,127.2 M	-	**£2,127.2 M**
Concessionary Reimbursement	Operators	Financial Benefits	-	-	£1,363.9 M	-	**£1,363.9 M**
BSSG	Operators	Financial Benefits	-	-	£61.9 M	-	**£61.9 M**
Change in Public Funding	Operators	Financial Benefits	-	-	-£3,351.2 M	-	**-£3,351.2 M**
Operator Opex	Operators	Financial Benefits	-	-	-£183.5 M	-	**-£183.5 M**
User Benefits - Journey Time & Quality	Users	Economic Benefits	-	-	-	£4,852.8 M	**£4,852.8 M**
User Benefits - Health	Users	Economic Benefits	-	-	-	£981.2 M	**£981.2 M**
Congestion	Users	Economic Benefits	-	-	-	£574.5 M	**£574.5 M**
Other Non-User Benefits	Users	Economic Benefits	-	-	-	£113.1 M	**£113.1 M**
Greenhouse Gases	Users	Economic Benefits	-	-	-	£76.8 M	**£76.8 M**
Indirect Taxation	Users	Economic Benefits	-	-	-	-£498.1 M	**-£498.1 M**
Summary							
Capital Costs			£3,412.1 M	-	-	-	£3,412.1 M
Transitional Costs			£12.4 M	£51.9 M	£27.0 M	-	£91.3 M
Recurring Costs			-£1,909.6 M	£2,407.5 M	-	-	£497.8 M
Total Costs			**£1,514.8 M**	**£2,459.4 M**	**£27.0 M**	**-**	**£4,001.2 M**
Financial Benefits			-	-	£18.4 M	-	£18.4 M
Economic Benefits			-	-	-	£6,100.4 M	£6,100.4 M
Total Benefits			**-**	**-**	**£18.4 M**	**£6,100.4 M**	**£6,118.8 M**
Net Present Value (+ve = net benefit)			**-£1,514.8 M**	**-£2,459.4 M**	**-£8.6 M**	**£6,100.4 M**	**£2,117.6 M**
BCR							**1.5**
Notes							

1. The values shown are approximate are intended to provide only indicative forecasts of costs and benefits (and are discounted to 2020 prices over a 30-year appraisal period)

CYNGOR Sir y Fflint Flintshire COUNTY COUNCIL

ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY

Date of Meeting	Tuesday, 5th July, 2022
Report Subject	Recycling Bring Sites
Cabinet Member	Deputy Leader & Cabinet Member for Streetscene & Regional Transport Strategy
Report Author	Chief Officer, Streetscene & Transportation
Type of Report	Operational

EXECUTIVE SUMMARY

A recycling bring site is a localised collection point where recycling containers (banks/igloos) are placed in places such as car parks and on streets so that residents have convenient access to facilities for the disposal of recyclable materials. Such facilities have been in place for many years and, at one time, they were the only option for residents to recycle in addition to the household recycling centres (HRCs).

The introduction of the kerbside sorting service has made recycling much more convenient for residents and is available to all households in Flintshire. Having banks at the bring sites for recyclable materials such as glass is now unnecessary, as an alternative kerbside collection service is available, in addition to the HRCs.

With the provision of weekly kerbside collections for recycling glass and the availability of textile banks at all five HRCs, there is an opportunity to review the provision of the bring sites in Flintshire and consider their ongoing suitability.

The purpose of this report is to present proposals to the Environment & Economy Overview & Scrutiny Committee for the removal of the recycling bring sites across the county.

RECOMMENDATIONS	
1	That the Scrutiny Committee notes the issues and challenges around the continued provision of the recycling bring sites and increasing costs for such a provision.
2	That the Scrutiny Committee supports the proposed removal of the recycling bring sites across the county.

REPORT DETAILS

1.00	**Explaining the Background to the Recycling Bring Sites**
1.01	The recycling bring sites are the igloos and containers located on pub and local car parks for textiles and glass collections. Historically, the use of bring banks pre-dated kerbside collections and were an essential part of the Council's waste strategy to increase recycling at that time. Currently, there are 26 bring bank sites in place across the county for the collection of textiles and glass recycling only (see **Appendix 1** for locations). The banks that are in place are predominantly located in pub car parks, supermarket car parks and local car parks. Many local authorities experience problems at their bring sites including fly-tipping, vandalism, illegal deposit of trade waste and the presence of unauthorised or 'rogue' banks.
1.02	Flintshire is not unique in this respect and the locations of the bring sites can cause issues with some people exploiting the opportunity to illegally dispose of waste. The sites often become a central point for localised fly tipping, with people leaving non-recyclable waste alongside the containers, which then incurs additional costs for collection and clean-up, as well as increased complaints. Removal of the bring bank sites could help to reduce fly-tipping and littering, encourage take-up of the kerbside recycling service and save money. Additionally, sometimes the sites can be misused by businesses, which can be identified by the large quantities of the same brand/batch of materials deposited in the containers, such as glass bottles from a particular brewery. Bring sites are for household recycling only. Any business should have its own commercial arrangements in place for the removal of any waste or recycling. Other issues experienced with the bring sites include people placing the wrong materials in the containers, which leads to contaminated loads that can be rejected, meaning that it can't then be sent for recycling.
1.03	Over the years, kerbside recycling collections have developed and we now offer a comprehensive doorstep weekly recycling collection service to the majority of Flintshire residents. The HRCs have also undergone significant investment and development, which has enabled the collection of over 30 different recyclable materials. As a result of these improvements, the use of bring sites by residents has declined steadily over the years.
1.04	The quality of the recycling collected via bring sites is much lower than that collected at the kerbside and at the HRCs. This is due to the fact that there is no supervision when recycling is being deposited into the containers. This results in the cost of the collection of glass increasing year on year, as non-conforming wastes are more costly for the disposal company to manage.
1.05	The volume of recycling collected via the bring sites is detailed in the table below, which accounts for approximately 0.08% of our overall recycling performance. Should the banks be removed the majority of this tonnage would be transferred to either the kerbside collections or the HRCs.

Year	Glass	Textiles	Total
2021/22	198.967	53.614	252.581
2020/21	176.27	37.9255	214.1955
2019/20	204.42	39.687	244.107
2018/19	213.75	33.514	247.264
2017/18	215.50	43.285	258.785

As mentioned, putting the wrong material in a bring bank causes the waste in the bank to become contaminated, meaning that it can't then be sent for recycling. By removing the banks and encouraging people to recycle from the kerbside or at the HRCs, it is anticipated that the quality of recyclable materials will improve.

1.06	Recently, the costs for servicing the glass igloos has increased, which has changed the way we are charged and resulted in an increase from £11.53 per tonne (£200/month) to £700 per collection (one per month). This equates to an increase in cost of £500 per month. Therefore, by removing the bring sites altogether, there would be a potential annual saving of approx. £8,400 for the approved revenue budget. The disposal of glass does offer a rebate per tonne of £15 which equates to an average income of £3,000 per year. Should the igloos be removed it is predicted that the glass income will be maintained as it will be collected via the kerbside or at the HRCs.
1.07	As an alternative, it is proposed that residents would be asked to utilise one of the following services: • The weekly kerbside recycling service collects glass, paper, card, plastic bottles, tubs, trays and pots, cartons, cans and tins. • One of five Household Recycling Centres (HRCs) offering alternative recycling collection points for glass and textiles. • Textile collections offered via numerous charity bags collected at kerbside, along with reuse opportunities through charity shops and online selling (such as vinted, ebay, marketplace, freecycle). • A funding bid has also been submitted to Welsh Government to pilot a doorstep collection service for textiles.

2.00	RESOURCE IMPLICATIONS
2.01	There is a potential saving of approx. £8,400 for the approved revenue budget should this service be removed.
2.02	Fly tipping and litter removal will be reduced allowing for the street cleansing team to focus on scheduled cleaning areas within the authority.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	With the removal of the bring banks there is the potential loss of approx. 200 tonnes of recycling (which equates to 0.08% of our recycling rate). However, it is anticipated that alternative disposal methods (kerbside, HRCs, charities) would be used by residents, which in effect would mean that recycling performance would not be affected.
3.02	We have considered the option of giving private business owners the opportunity to take over the management of the bring sites if they so wish, particularly where bring sites are located on business properties e.g. pub car parks or supermarkets. However, due to the risks and challenges around fly tipping and littering, this has been discounted and will not be pursued.
3.03	Full removal of the bring sites would improve street and environmental cleanliness, as the current sites can be a focal point for small scale, regular fly tipping, which in turn would improve the local environmental quality (LEQ) of the area.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	With the Cabinet Member for Streetscene & Transportation
4.02	Consultation will be required with the businesses which currently store the bring site banks/igloos on their private land.

5.00	APPENDICES
5.01	**Appendix 1** – Recycling bring site locations

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	N/A

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Gabrielle Povey (Waste Strategy Manager) **Telephone:** 01352 703347 **E-mail:** gabrielle.povey@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	**HRCs** - Household Recycling Centre, located at Buckley, Greenfield, Mold (Nercwys), Oakenholt (Rockcliffe), Sandycroft **Recycling Bring Site** - A recycling bring site is a localised collection point where recycling containers (banks/igloos) are placed in places such as car parks and on streets so that residents have convenient access to facilities for the disposal of recyclable materials

Appendix 1 – Current Bring Site Locations

Bring Site Locations			
Bagillt, The Stag	Mold, Antelope Inn	Hawarden CP Tinkersdale	Saltney, Morrisons
Broughton, Village	New Brighton, Beaufort Park	Higher Kinnerton Royal Oak	Northop Hall Cricket & Hockey Club
Broughton, Tesco	Queensferry Hotel	Higher Kinnerton The Swan	
Buckley WMC	Saltney, Social Club	Holywell, Tesco	Mold, Coop
St David's Park Hotel, Ewloe	Shotton, Charmleys Lane	Mold Ex-Service Men's Club	Mold, Tesco
Coop, Connah's Quay	Theatre Clwyd, Mold	Leeswood, Railway Inn	Halkyn The Bluebell Inn
Soughton Hall	Holywell Abbotts Arms	RBL Flint	

This page is intentionally left blank