

Minutes of a meeting of the Cabinet on 14 February 2017

Present:

- Rt. Hon. Carwyn Jones AM, First Minister (Chair)
- Vaughan Gething AM
- Lesley Griffiths AM
- Jane Hutt AM (from item 3)
- Carl Sargeant AM
- Ken Skates AM
- Kirsty Williams AM
- Mick Antoniw AM

- Shan Morgan CMG, Permanent Secretary
- Des Clifford, Director, Office of the First Minister and Cabinet Office
- Peter Greening, Head of Cabinet Division
- Jo Salway, Head of Cabinet Office
- Toby Mason, Head of Strategic Communications
- Matt Greenough, Special Adviser
- David Costa, Special Adviser
- Andrew Johnson, Special Adviser
- Huw Price, Special Adviser
- Jane Runeckles, Special Adviser
- Tom Woodward, Special Adviser
- Christopher W Morgan, Cabinet, Plenary and Committee Secretariat (minutes)
- Damian Roche, Cabinet, Plenary and Committee Secretariat
- Simon Jones, Director Transport and ICT Infrastructure (items 3 & 5)
- Rhodri Griffiths, Deputy Director Transport Planning, Policy & Partnerships(item 3)
- Nathan Barnhouse, Head of Rail Programme (item 5)

Apologies:

- Mark Drakeford AM

Item 1: Minutes of the previous meeting

1.1 Cabinet approved the minutes of the previous meeting.

Item 2: First Minister's Items

Half Term Recess

2.1 The First Minister reminded Cabinet that, as usual, Cabinet Secretaries, Ministers and the Counsel General would need to be contactable throughout the half term recess to deal with any urgent business.

Cabinet Meeting 28th February

2.2 The First Minister informed Cabinet that the meeting scheduled for 28th February had been cancelled as he would be undertaking a series of business engagements in the United States of America. It was noted that the Leader of the House would be responding to First Minister's questions that day.

Item 3: Policy proposals for the reform of local bus services in Wales

3.1 The Cabinet Secretary for Economy and Infrastructure introduced the paper, which invited Cabinet to approve draft policy proposals for the reform of local bus services in Wales and agree that they should be consulted upon.

3.2 The main body of law in relation to local bus services was not currently devolved to Welsh Ministers. However, it was expected that the registration of bus services and the relevant functions of the Traffic Commissioner would be transferred to Wales by 2018.

3.3 Following deregulation, the majority of local bus services in Wales have been provided by private sector operators, such as Stagecoach, First Bus and Arriva. There were also the two municipally owned bus companies, Newport Travel and Cardiff Bus. In more rural areas, services were generally delivered by smaller independent companies with specialist transport services and those for more isolated communities being delivered by community transport providers.

3.4 Passenger numbers were in decline and the number of registered bus services in Wales had reduced by 46% between 2005 and 2015. There was also the issue where operators could either vary or cut services with only 56 days notice.

3.5 However, there were examples in Wales where direct Government and Local Authority intervention had safeguarded routes, and through improved quality and marketing had halted the decline in patronage. One such case was the Traws-Cymru network which carried more than two million passengers in 2015-16.

3.6 Delivering a more effective network of local bus services, together with the development of seamless integrated and multi-modal ticketing arrangements as part of the South East and North Wales Metros, would be fundamental to achieve the Government's objective of building a connected and sustainable society.

3.7 The Welsh Government, Local Authorities, bus operators and passenger groups were committed to working in collaboration to improve experience at bus stops by improving facilities and passenger information. Funding solutions would be developed, which offered greater stability to the bus industry and delivered an integrated transport system providing improved accessibility and ticketing solutions fit for the 21st Century.

3.8 Cabinet welcomed the paper and agreed that improving the availability of local bus services and connecting communities to places of education, health and work would make a significant contribution to the prosperity for all agenda, while supporting the provision of childcare.

3.9 It was recognised that there were opportunities to develop an integrated bus network in Wales that complemented the North and South Wales Metros, while introducing a system to improve ticketing.

3.10 It was recognised that the promotion of the uptake of cleaner, low emission vehicles would improve air quality and help the decarbonisation of the transport sector.

3.11 It was noted that the Cabinet Secretary for Economy and Infrastructure would be making a Statement to the Assembly on 28th February on bus services in Wales and the consultation would be launched in early March.

3.12 Cabinet approved the paper.

Item 4: Government Plenary Business

4.1 Cabinet noted the contents of the Plenary Grid.

Item 5: Rail Franchise and Metro

5.1 The Cabinet Secretary for Economy and Infrastructure introduced the paper, which asked Cabinet to note progress in delivering the procurement of the next Wales and Borders franchise and Metro.

5.2 The procurement of the operator and development partner was progressing on the basis of the agreement to transfer functions reached in 2014. Delivering the ambition was dependent on the UK Government transferring the powers on time, approving the plans for the Valley Lines and agreeing suitable financial arrangements for the infrastructure.

5.3 Transport for Wales, the not for profit company established to provide the necessary support and expertise, was progressing the procurement in line with the published timetable, where the Government expected to be in a position to approve contract award in January 2018.

5.4 A public consultation had been undertaken in early 2016 to establish the quality standards that the public would wish to see for the next Wales and Borders franchise. The responses to that consultation were then used to inform the policy priorities for the procurement, which would underpin the outcomes the Government would expect to be delivered.

5.5 Transport for Wales would be undertaking a further consultation that built upon the 2016 findings and the agreed policy priorities. Views would be sought on passenger comfort, station improvements, better connections, information, fares and ticketing. It would also cover the core Valley Lines services that were to be part of the South Wales Metro, including service integration. The outcome of this exercise would inform the dialogue process, ahead of the invitation to submit final tenders.

5.6 Cabinet welcomed the progress report and noted that the new franchise would, as with the proposed enhancement of the bus network, improve connectivity and contribute to the decarbonisation of the sector. It would also contribute to economic development, support the provision of childcare, and improve prosperity for all, while supporting the active travel agenda.

5.7 Cabinet approved the paper.

**Cabinet, Plenary and Committee Secretariat
February 2017**