

Agenda – Economy, Infrastructure and Skills Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: 15 May 2019

Meeting time: 09.40

For further information contact:

Gareth Price

Committee Clerk

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Private pre-meeting

(09.40–09.45)

1 Introductions, apologies, substitutions and declarations of interest

2 Paper(s) to note

2.1 Welsh Government response to the Autumn Rail Committee report

(Pages 1 – 2)

Attached Documents:

EIS(5)–13–19(P1) Welsh Government response to the Autumn Rail Committee report



Cynulliad
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Assembly for
Wales

2.2 Transport for Wales response to the Autumn Rail Committee report

(Pages 3 – 7)

Attached Documents:

EIS(5)–13–19(P2) Transport for Wales response to the Autumn Rail Committee report

3 Ministerial Scrutiny – Regional Skills Partnerships

(09:45–10.45)

(Pages 8 – 31)

Kirsty Williams AM, Minister for Education

Ken Skates AM, Minister for Economy and Transport

Andrew Clark, Deputy Director, Further Education and Apprenticeships

Huw Morris, Group Director Skills, Higher Education and Lifelong Learning

Rachel Garside-Jones, Deputy Director, Skills & Employability

Attached Documents:

EIS(5)–13–19(P3) Research Briefing

EIS(5)–13–19(P4) Evidence from the Minister for Education and the Minister for Economy and Transport

4 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from item 5

5 Private de-brief

(10.45–11.00)

Break

(11.00–11.15)

6 Ministerial Scrutiny – Electric Vehicle Charging in Wales

(11.15–12.15)

(Pages 32 – 53)

Ken Skates AM, Minister for Economy and Transport

Simon Jones, Director Economic Infrastructure

Dewi Rowlands, Deputy Director Transport Strategy and Policy

Attached Documents:

EIS(5)–13–19(P5) Research Briefing

EIS(5)–13–19(P6) Evidence from the Minister for Economy and Transport

7 Motion under Standing Order 17.42 (vi) to resolve to exclude the public from item 8

8 Private de-brief

(12.15–12.30)

Written Response by the Welsh Government to the report of the Economy, Infrastructure and Skills Committee – Autumn Rail Disruption

TfW is a wholly owned subsidiary of the Welsh Ministers. It has a clear, legal identity within a robust and well-established framework. There is a distinct separation between the Welsh Government and TfW, allowing TfW to make independent operational decisions.

The Committee's recommendations cover operational matters for TfW. TfW has been instructed to consider how it will take the recommendations forward and respond directly to the Committee.

Recommendation 1

TfW should publish the findings of its final full investigation report into the causes of the rail disruption as soon as possible, along with an action plan setting out how it is responding to the findings and full details of its preparedness plans for Autumn 2019.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

Recommendation 2

The Welsh Government, TfW and Network Rail should work together to ensure that a) the findings of the investigation report into the autumn 2018 disruption and b) further investigative work with on-board cameras, are used to inform Network Rail's planning and prioritisation of its operations, maintenance and renewal expenditure. The Committee will seek further details of how this has been done prior to autumn 2019.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

Recommendation 3

TfW should report back to the Committee at the end of 2019 on its new performance standards and plan for communicating the full range of standards and performance data to the travelling public in a transparent manner, and one which allows meaningful comparison with previous service levels to measure progress over time. As far as possible these indicators should be published at a level which is meaningful to passengers, i.e. at the level of individual route and service.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

Recommendation 4

TfW should work with passenger groups including Transport Focus to explore ways to provide additional compensation without incurring significant cost where there is severe disruption to services, as in autumn 2018. The severe impact on passengers must be recognised regardless of the nature of the financial settlement for rail in Wales. Should disruption on this scale occur again we expect additional compensation measures to be applied.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

Recommendation 5

TfW to respond to the specific concerns raised by stakeholders when consulted on the new rail franchise and Metro, and highlighted in this report, to assure the Committee that capacity issues will be properly addressed by planned service enhancements and that capacity planning will take full account of all factors that may affect future demand.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

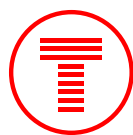
Recommendation 6

Past experience highlights the need for a clear approach to identifying and robustly managing rolling stock risks in future. The Committee and the travelling public must be given public assurances that TfW has made a full assessment of the risks attached to its plans for procuring and introducing new rolling stock on to the network, and how these will be mitigated, whether this published document is described as a "rolling stock strategy" or by another name.

Response: Accept

Financial Implications – None. Any additional costs will be drawn from TfW's existing programme budgets.

Ken Skates AM, Cabinet Secretary for Economy and Transport



**TRAFNIDIAETH
CYMRU
TRANSPORT
FOR WALES**

Russell George AM

Chair

Economy, Infrastructure and Skills Committee

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03 May 2019

TfW Response to Autumn Rail Disruption report by the EIS committee

Dear Committee

Thank you for sharing with us the EIS Committee's report into the Autumn Rail Disruption. We welcome the report and thank the committee for their work.

We are now just over six months into running the Wales and Borders Franchise and we oversaw a very difficult period due to Storm Callum and the Autumn. I have previously stated that as many as 36 trains were out of service for essential repairs, and whilst I recognised the impact of that service disruption on our customers and your constituents, I made no excuses as this was not the service that our customers deserve or expected from us as their train operator.

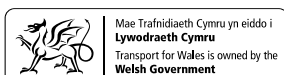
We recognise how important it is to give our customers the best experience as soon as possible, which is why we are investing £40 million in our current fleet, and this year we will be introducing some new refurbished trains. This investment will see us fitting Wheel Slide Protection to improve future service levels as well as fund additional services to enhance our customer experience and accessibility improvements.

As the report and recommendations focus on the operations during Autumn, I am responding on behalf of the Welsh Government. I am therefore pleased to accept the committee's recommendations. It is also fair to say that our Autumn planning will never stop, and as we move forward we will make sure we do everything within our power to run a service that our customers deserve.

Recommendation 1. TfW should publish the findings of its final full investigation report into the causes of the rail disruption as soon as possible, along with an action plan setting out how it is responding to the findings and full details of its preparedness plans for Autumn 2019.

Response: Accept

We will publish the findings and latest progress report from the Autumn Investigation report on the website under 'Openness and Transparent'. For openness we're sharing with you the English version of this report and we are in the process of translating this document to put on our website.



Cyfeiriad cofrestredig y swyddfa: Canolfan QED, Prif Heol, Ystād Ddiwydiannol Trefforest, Pontypridd CF37 5YR.
Trafnidiaeth Cymru rhif cwmni: 09476013. Cwmni cyfyngedig drwy warrant. Cofrestrwyd yng Nghymru.
Registered office address: QED Centre, Main Avenue, Trefforest Industrial Estate, Pontypridd CF37 5YR.
Transport for Wales company number: 09476013. A company limited by guarantee. Registered in Wales.

A Joint Autumn Task Force Inaugural meeting was held on Wednesday 27 February, with the purpose to set up a joint investigation to find root causes and identify measures to minimise risk of wheel flats in 2019. The investigation team includes Transport for Wales, Network Rail and an independent wheel/rail interface consultant to ensure that issues are addressed by all stakeholders. The Rail Safety and Standards Board (RSSB) will also be involved to mediate discussion if necessary and ensure that findings are representative of (or can help inform) industry best practice. The scope of the working group is guided by this report's findings and updated iteratively as actions are completed.

19 recommendations have been identified thus far, aimed at mitigating efforts where the biggest gains will be seen for autumn 2019. Outputs of this task force will feed directly in to the Joint Route Autumn Plan, that is a comprehensive, holistic plan to mitigate and reduce the impact of Autumn on the railway network for travelling passengers.

Recommendation 2. The Welsh Government, TfW and Network Rail should work together to ensure that a) the findings of the investigation report into the autumn 2018 disruption and b) further investigative work with on-board cameras, are used to inform Network Rail's planning and prioritisation of its operations, maintenance and renewal expenditure. The Committee will seek further details of how this has been done prior to autumn 2019.

Response: Accept

As mentioned above, the investigation team will include TfW, Network Rail and an independent wheel/rail interface consultant to ensure that issues are addressed by all stakeholders. The RSSB will also be involved to mediate discussion if necessary and ensure that findings are representative of (or can help inform) industry best practice.

The Joint Adhesion Investigation report details the findings from the wheel-rail interface cameras findings during Autumn 2018. To conclude, the video recording showed several potential wheel-rail interface issues:

- Wheel slide occurring when braking on a sharp curve;
- Grease or water on the railhead;
- Some vegetation near the line;
- Dust being expelled from the interface, particularly during flange contact.

Recommendation 3. TfW should report back to the Committee at the end of 2019 on its new performance standards and plan for communicating the full range of standards and performance data to the travelling public in a transparent manner, and one which allows meaningful comparison with previous service levels to measure progress over time. As far as possible these indicators should be published at a level which is meaningful to passengers, i.e. at the level of individual route and service.

Response: Accept

We currently publish a performance report on TfW's website, showing statistics by line of route and comparing the latest period against the previous year and previous period. This can be found on the tfw.gov.wales website under the tab 'Openness and Transparency'; link:

<https://tfw.gov.wales/performance> . By being open and transparent with the travelling public, TfW hope that it will strengthen the relationships with travelling public and stakeholders and raise awareness of how we work with local communities and businesses to improve transport services in Wales.

This performance report will evolve over the coming weeks to adapt to the new passenger-centred performance regime started on the 1st of April, which will include a description and initial results of the new metrics; Passenger Time Lost (PTL) and Short Formations.

TfW will also provide an honest update on rail performance in the next edition of the Customer Report on their website. This will be published every six months and presented as a summary to provide more customer-focused metrics than today, including progress against targets.

Recommendation 4. TfW should work with passenger groups including Transport Focus to explore ways to provide additional compensation without incurring significant cost where there is severe disruption to services, as in autumn 2018. The severe impact on passengers must be recognised regardless of the nature of the financial settlement for rail in Wales. Should disruption on this scale occur again we expect additional compensation measures to be applied.

Response: Accept

We recognise passengers want a reliable train service and to be able to be compensated fairly when things go wrong due to no fault of their own. We are committed to our passengers and in January this year we introduced 'Delay Repay 15'. This is a major step in the right direction and with this introduction, passengers are now able to claim 25% of the cost of the single fare for delays between 15 and 29 minutes on top of existing compensation thresholds for delays from 30 minutes and over.

With the introduction of the new performance regime as mentioned in recommendation 3, we will be able to measure the impact to travelling public in a much more effective manner using metrics such as PTL and short formations to ensure punctuality and capacity levels are at an acceptable level. We will be using these passenger-focused measures to compare against the autumn disruption in 2018 and publishing this on our website for openness and transparent manner.

We will also work more closely with our interested passenger groups such as Transport Focus to identify and explore additional methods of compensating passengers during severe disruption to services without incurring significant costs.

Recommendation 5. TfW to respond to the specific concerns raised by stakeholders when consulted on the new rail franchise and Metro, and highlighted in this report, to assure the Committee that capacity issues will be properly addressed by planned service enhancements and that capacity planning will take full account of all factors that may affect future demand.

Response: Accept

We appreciate that many train services across Wales and Borders are crowded; plans are in place to rectify this. In the short term we have ordered additional refurbished fleet which will be entering the network in 2019.

Looking ahead, there is substantial increase in capacity planned across the entire Wales and Borders rail network in the coming years. By 2023, 95% of journeys will be on new trains, with more carriages, and we will run an extra 285 services every weekday. We've modelled the demand for services through to 2033 and are increasing frequency and buying enough trains of sufficient length to cope with that demand.

We recognise that large parts of Wales either remain unconnected by rail or have infrastructure constraints (i.e. single line track). The responsibility for and funding of rail infrastructure is not devolved, and rests with the UK government. However, in recent years, the Welsh Government has invested in a programme of rail infrastructure improvements and is continuing to look at options for expanding and enhancing the existing network.

Under instruction from Welsh Government, TfW is supporting the development of such options through its feasibility work; including investigating the increase in frequency of services on the Ebbw Vale and Maesteg lines.

Maesteg and Ebbw Vale have unique constraints that mean we couldn't add them to the Central Metro at this stage, but a subset of important feasibility work is underway, and we hope to invest in both routes in the future.

Via our Corporate and Consultancy Projects team, we have the capacity and capability to undertake feasibility work for aspirational/potential multi-modal transport schemes. Within this team, an analytical unit is being built upon, aiming to increase the quality and consistency of the evidence based underpinning transport decision-making and investment in Wales. The Analytical Unit is also responsible for the Welsh Government's regional transport models – the South East Wales Transport Model already exists while the models for South West and Mid and North Wales are soon to be developed. The regional models will help with Welsh Government, TfW and local authorities to forecast the future needs of the transport network across all modes of transport.

Welsh Government will continue to press for rail powers to be devolved so that it – alongside TfW - can decide how best to invest in the enhancement of the rail network in Wales in a way that meets the needs of our communities and stakeholders.

The plans to which we are committed are designed to be flexible and extendible so our plans will never hinder further transport development. We will continue working closely with Welsh Government and our stakeholders, including those highlighted in the report.

Recommendation 6. Past experience highlights the need for a clear approach to identifying and robustly managing rolling stock risks in future. The Committee and the travelling public must be given public assurances that TfW has made a full assessment of the risks attached to its plans for procuring and introducing new rolling stock on to the network, and how these will

be mitigated, whether this published document is described as a “rolling stock strategy” or by another name.

Response: Accept

TfW is currently in the process of developing our rolling stock Risk Management Plan (RMP), and it is hoped that this document will be completed over the coming weeks.

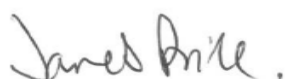
The RMP will outline our approach to managing all risks on our new rolling stock projects, so that our requirements and business objectives are fully satisfied. The aim of the document will be to identify and mitigate at the earliest opportunity all risks which could affect the successful delivery of all of our new trains projects. Fundamental to this approach will be a full understanding of all stakeholders’ commercial and technical requirements, timescales and constraints.

An approach of progressive risk management will be used throughout each stage of the project lifecycle and ultimately to ensure that our new fleets will be delivered on time, to the required standards, and that they will achieve and continue to meet the contracted reliability and availability levels. The RMP will ensure, that in the event of delay to the programmed delivery dates of new units, that suitable mitigations will be implemented to ensure existing (or alternative) rolling stock is retained on the network to ensure continued delivery of the passenger timetable.

With regards to the phasing out of existing rolling stock, this will be incorporated into each detailed new rolling stock introduction plan and will be linked to the actual delivery of each new unit being introduced onto the network. Within our processes, dialogue with Rolling Stock Lease companies will be continued to ensure we have the option of retaining existing units on lease until the new replacement fleets are successfully in passenger service.

When completed, we would gladly share a copy of the RMP with the EIS committee. This is likely to be a live document that is updated regularly.

Yours sincerely

A handwritten signature in dark ink, appearing to read "James Price," with a comma at the end.

James Price

Agenda Item 3

Document is Restricted

ECONOMY, INFRASTRUCTURE & SKILLS COMMITTEE WRITTEN EVIDENCE – REGIONAL SKILLS PARTNERSHIPS

The purpose of this paper is to provide written evidence to the Economy, Infrastructure & Skills Committee on their inquiry into *Regional Skills Partnerships*.

Context

The Policy Statement on Skills was announced in 2014 and this signalled a move to regional working, with a policy shift away from a sector-based approach. Regional Skills Partnerships (RSPs) were announced on 31st October 2014. Three voluntary partnerships were tasked by Welsh Government to prioritise their regional skills needs based upon regional and local employer led intelligence, in order to help align skills provision with identified demand in each region.

The move to a regional model was further strengthened by Our National Strategy “Prosperity for All” announced on 19 September 2017, where employability and skills was identified as a cross-cutting theme, and the Economic Action Plan which was published in December 2018 which further strengthened the regional approach. This described a model for regional working that placed the role of RSPs as being an integral part of the delivery model.

The ambition was clear. RSPs were given a key role to help break the cycle of low-skill, low wage and low productivity by identifying skills gaps and skills shortages in each region by better understanding the opportunities and investment pipelines, drawing upon the intelligence of employers and stakeholders.

The three RSPs are:

- North Wales Economic Ambition Board – Regional Skills Partnership North Wales (NWEAB-RSP)
- South West and Mid Wales Regional Learning and Skills Partnership (RLSP)
- Cardiff Capital Region Skills Partnership (CCRSP).

Both the NWEAB- RSP and RLSP were operating to regional economic development structures prior to Welsh Government announcing RSPs. Officials worked closely with stakeholders in the South East region to help establish an RSP for the Cardiff area. Each RSP is funded via a contract with the Welsh Local Government Association (WLGA) to deliver a set of agreed outputs. This remains the process for funding RSPs as they are voluntary partnerships without legal status. Any assessment of impact must be balanced against the resources of RSPs. This year, RSPs have received £495,000 from Welsh Government, with no measurable increase in funding since the inception of the demand-led model. However, expectations surrounding the role of RSPs have significantly increased. Each RSP has a Programme Manager, a researcher and administrative support who have the role of undertaking employer engagement, managing all stakeholder relationships and producing the research evidence base for the employment and skills plans.

Each RSP is contracted to deliver a regional employment and skills plan to Welsh Government as well as a planning and funding template which recommends increases or decreases in skills provision. The contract schedule from Welsh Government also contains requirements for each RSP to maintain regional skills observatories, develop employer networks, work closely with Enterprise Zones and hold regional skills summits to disseminate their regional recommendations and outcomes. RSPs were given a key role in

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the Employability Plan published in March 2018 in terms of their assessment of skills needs in each region, and also have a key role to play in the delivery of the Apprenticeship Policy Plan and in meeting Welsh Language targets. RSPs also have a key role to play in influencing developments in key sectors, for example informing the skills implications of Decarbonisation policy direction and the Food and Drink Action Plan.

Welsh Government has moved to establish a strong governance structure within which the RSPs sit. Each RSP Chair is a key member of the Wales Employment and Skills Board which in turn reports on employability and skills issues to the Council for Economic Development chaired by the First Minister. RSP Employer Chairs have the responsibility for chairing WESB on a rotational basis to ensure a focus on key issues for employers in each of the three regions.

City Deals and Growth Deals

The delivery of City Deals and a planned Growth Deal for North Wales has caused the issue of governance to be revisited. Each RSP has a different structure, both with respect to its own operations and subgroups and, more importantly, to City Deals and Growth Deals. The Cardiff City Deal and Swansea Bay City Deal were announced in March 2017 and November 2018 respectively. A North Wales Growth Deal was secured from UK Government and, in January 2019, a commitment in principle to match the UK financial commitment was made by the Minister for Economy and Transport. Discussions have been held with Growing Mid Wales, an economic forum for the mid Wales region, regarding a Growing Mid Wales Deal which has encouraged consideration among stakeholders of a need to establish their own RSP rather than form part of the South West and Mid Wales RSP.

An Independent Report on the Governance of Regional Skills Partnerships in Wales was commissioned by Welsh Government and produced by Dr John Graystone in March 2018. Specifically, it recommended that RSPs should remain voluntary partnerships and not adopt legal structures and that Welsh Government should review the resources of RSPs given their increased role. Other recommendations included the need for more transparency, with minutes and terms of reference published in the public domain, and for greater consistency between RSPs.

Independent review of RSPs

In November 2018, the previous Minister for Welsh Language and Lifelong Learning made a commitment to undertake an independent review of RSPs. SQW were commissioned to undertake the review in February 2019 by the Minister for Economy and Transport. SQW have looked at the impact of RSPs and governance arrangements with a particular focus on relationships across the regions to City Deal and Growth Deal structures and will complete their work by the end of April 2019. Their interim consultation findings indicate that, on the whole, the RSPs have been successful in building up an employer-led approach in each region, recognising that partnerships take time to develop and that each RSP had a different starting point. SQW also recognised the operational consistency between the three RSPs.

The key challenge to Welsh Government is to respond to the broad consensus thus far (from providers, employers and the RSPs themselves) that a more strategic remit is now required to enable RSPs to consider potential skills demand over the longer term. SQW found consultees welcomed the move in 2019 to a three-year planning process and further identified a real opportunity for RSPs to provide a strategic lens on skills demand over the

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longer term extending their influence from the current operationally focused planning and funding model. This would go beyond FE and Apprenticeships to include the broader skills system including schools, universities and the future skills of people already in the labour market and the longer-term needs of the Welsh economy. Welsh Government will consider and respond to the full findings of the SQW review by June 2019.

Labour Market Intelligence and regional data

The employment and skills plans have been broadly welcomed by employers and stakeholders in the regions. In terms of style and content these plans have been of a comparable standard to skills plans produced by employment and skills boards of City Regions in England. In 2018, in light of the Graystone recommendations, RSPs were asked to submit Annual Reports which were shorter and focused on the evidence base for changes to funding across Apprenticeship and Further Education (FE) budgets captured in the Planning and Funding Template. In April 2019, RSPs received their new contract and are now required to complete a three-year strategic plan with Annual Reports to update on key developments in each region.

Underpinning the RSP regional reports is the need for robust labour market intelligence (LMI). RSPs undertake an analysis of secondary research, using data from FE colleges and drawing upon soft intelligence from their employer networks. RSPs receive Regional LMI Reports from Welsh Government in January each year and these are subsequently published on the Skills Gateway. These reports provide core LMI for each region and provide RSPs with a common source for that LMI. Figures are primarily taken from StatsWales, with further LMI from the Employer Skills Survey and Working Futures. All data taken from StatsWales include links which allow RSPs to access the latest version of that data from StatsWales. This approach has enabled Welsh Government to establish a “Common LMI Framework for RSPs”, ensuring common datasets are used by each RSP. Each RSP operates an LMI observatory and these platforms are used as sources of data to inform prioritisation of growth and foundation economy sectors.

RSP employer engagement strategies

RSPs have employer chairs and a membership configuration that consists of around fifty percent employers. Each RSP has developed different strategies to engage with employers from using established partner forums such as the North Wales Business Council (used by NWEAB – RSP), to creating their own RSP employer cluster subgroups as in the case of RLSP and CCRSP. Sector representative organisations such as CBI and FSB also are RSP members. Employers who directly sit on RSP Boards provide an employer perspective that often is the view of their organisation rather than the wider sector although not in all cases. Achieving the mix of employers also is important as there should ideally be representation of skills needs from micro-businesses to multi-nationals. RSPs have developed links with Enterprise Zones (EZs) although the degree of engagement varies across each region and EZ.

Planning Cycle – Alignment to RSP recommendations

The Post 16 Planning and Funding Framework was introduced in 2014/15 whereby planning and funding learning activity moved to a programme-based approach. This has secured closer scrutiny of curriculum planning and funding for general education and full-time vocational curriculum plans in sixth forms and FE colleges ahead of each academic year. In

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March 2018, the Minister for Welsh Language and Lifelong Learning and Cabinet Secretary for Education agreed to a proposed pilot planning methodology to strengthen monitoring and accountability for delivery within FEIs in 2018/19. This does not currently apply to school 6th forms (A Levels) and higher education (particularly at Levels 4 and 5/Foundation degree).

Regional employment and skills plans provide a strategic direction for post-16 education and training providers through their indication of changes to the skills needs of employers in the region and their influence on the economic relevance of post-16 provision. A planning and funding template¹ is issued to RSPs where they outline their recommendations to Welsh Government for changes in provision. Following approval, Welsh Government distributes the templates to FE Institutions (FEIs) via the post-16 planning methodology to inform and influence curriculum plans for the coming academic year². FEIs then submit final delivery/curriculum plans to Welsh Government for assessment, with the aim being to:

- Ensure consistent and measured progress is made against RSP recommendations for full-time provision in FEIs;
- Monitor the impact of regional priorities on remaining full-time provision to ensure provision supports progression to higher levels and encourage transparency and collaborative planning at a regional level between FEIs;
- Monitor and strengthen FEI responsiveness to increasing Welsh-medium and bilingual learners numbers against specified full-time learning programmes; and
- Continue to seek advice on improvements to the planning and funding methodology for further education.

Officials are currently developing a revised Regional Model at Sector Subject Area (SSA) and Level for the 2020/21 planning cycle resulting in move to a broader set of regional FE recommendations for colleges rather than at micro planning level. The 2018/19 recommendations cover a three-year period from 2018/19 to 2020/21 following feedback from the FE sector and this will now be further strengthened, backed by the SQW review interim findings. Giving the RSPs a wider remit to influence vocational skills across all industry sectors including both economic and foundational economy priorities rather than priority sectors is also a key development which will enhance their role and influence across the region.

Apprenticeship providers are required to align their delivery to meet the demand identified by the RSPs. As part of the Welsh Government's contract management process, providers are required to provide information to support how their delivery strategies incorporate and reflect RSP LMI. In addition, for 2018/19, 3.5% of the Apprenticeship budget (£5m) was earmarked to support those areas identified by the RSPs. The £5m was split across each of the three regions in accordance with historical delivery patterns i.e. £1m for North Wales. £1.5m for South West and Mid Wales and £2.5m for South East Wales. This funding was allocated to 10 providers on a call-off basis. In order to be able to claim this funding,

¹ *Planning and funding templates are operational documents and are NOT published.*

² *RSP Recommendations are only made for Full Time Vocational and Apprenticeship provision. RSPs have not been required to date to make recommendations for A Level or HE provision.*

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providers must ensure that the apprenticeship delivery meets the priorities identified by the RSPs and is additional to the delivery they would have normally undertaken.

Another key development for RSPs was the announcement by the Minister for Welsh Language and Lifelong Learning in March 2018 of a £10M Skills Development Fund to place RSPs in a central role to influence where skills provision was needed in each region. RSPs were tasked to identify regional priorities which would inform three regional applications to the Fund by the FE sector. The SDF has and continues to be focused on delivering new regional provision aligned to strategic needs identified by RSPs in each region.

Employability

The Welsh Government published its Employability Plan in March 2018 and an update on progress on year on in March 2019. The Plan sets out a series of actions where RSPs can play a key role relating to employability support for individuals, and the responsibilities of employers regarding employability and skills gaps in each region. A key area of joint working is on the Working Wales advice service delivered by Careers Wales and launched on 1st May.

Working Wales provides impartial and independent advice to individuals on the support they need to enter and progress in the labour market. This process will determine a person's eligibility, identify their individual barriers to employment, including disability issues if appropriate, and the level of intervention required to support the individual into sustained employment. For example, Welsh Government has worked closely with the North Wales RSP on its bespoke regional information and advice referral portal as part of the wider Working Wales model. The RSPs are also working with Welsh Government on the pilots of Personal Learning Accounts from September 2019, providing support for those in work to up skill.

Schools and Curriculum

RSPs are continuing to strengthen links between schools and employers in their regions and are linking with regional consortia to maximise their engagement with the new Curriculum for Wales. This includes considering the curriculum in the light of regional priorities/ infrastructure developments in each region.

Each RSP has highlighted STEM as a key area of importance in their Annual Report to Welsh Government and RSPs are already developing solutions to improve STEM-related activities in their regions. An example of work already underway is the "Act on STEM" project which has been developed by the North Wales RSP. The RSP has undertaken an audit to examine activities to date and to inform the addressing of gaps in STEM provision. In tandem, they have been working with employers and providers to develop on-line resources for Year 5 and 6 pupils, parents and practitioners. This has been launched across all schools in North Wales.

In the South East, excellent schools/industry collaboration driven forward by the RSP includes the development of "The Cardiff Commitment". As a result of a collaboration between Admiral and Whitchurch High School, Year 12 students were given the opportunity to visit Admiral in Cardiff and Admiral staff delivered advice on interview skills and job applications to over 340 Year 10 students. In South West and Mid Wales, a project led jointly by Valero and ECITB is encouraging Year 8 girls from schools in Carmarthenshire and

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WRITTEN EVIDENCE – REGIONAL SKILLS PARTNERSHIPS

Pembrokeshire to take up STEM. Pupils spend a day at Coleg Sir Gar followed by a day at Valero, taking part in STEM challenges and undertaking a site visit, facilitated by the RSP for South West and Mid Wales.

Conclusion

RSPs have made significant progress to communicate and market their role to employers and stakeholders since their establishment. Annual Skills Summits as well as regular events in each region have been used to disseminate the findings of their employment and skills plans and to engage with stakeholders to shape their regional priorities and insights directly. Their role in providing a clear set of employability and skills priorities to Welsh Government is now well understood with a clear process for doing this.

The decision to appoint employer Chairs for each RSP has been positive as has the increased employer membership of Boards in order to enable a strong employer voice informing skills provision in each region. The content of the regional employment and skills plans has been strengthened as a direct result of more robust engagement strategies. The process of producing plans has matured and the evidence base underpinning the plans has become increasingly robust. The plans are the equivalent in terms of quality and standard to similar plans produced across the UK.

We are reviewing the whole demand-led skills system in Wales and the core mandate of RSPs within this to strengthen their role as strategic bodies looking at skills demand over the longer term in each region. We welcome the findings of the Committee's inquiry to inform this. This will include clarifying the relationship between RSPs, Welsh Government including the Chief Regional Officers, Public Service Boards, Education Consortia and other regional structures including City/ Growth Deals. The relationship between RSPs and the new Commission for Tertiary Education and Research (CTER) will be mapped out in forthcoming legislation, regulation and guidance, with primary legislation being delivered by March 2021 and secondary legislation by March 2023. As SQW have recommended, the consideration of the need to move RSPs away from operational funding detail to providing a perspective that includes the broader skills system in addition to the future skills needs of those in employment is timely. To enable this direction of travel the formal constitution of RSPs following the Graystone review needs to be embedded and we will continue to work closely with RSPs to implement this approach. The issue of governance structure, particularly in relation to City Deal and Growth Deal structures, and needs to be agreed across all levels of Government in order to ensure RSPs can properly fulfil their role in each region. Work has commenced on this matter and this will be a priority focus over the coming months.

Finally, we will review the resources of RSPs and in light of their role as strategic bodies and take a holistic view of the Welsh employability and skills system now and for the future. This will require a focus on getting the right research and labour market information (LMI) capacity and expertise in each region, on effectively sharing best practice, including cross-border and beyond, and on exploring opportunities for a combined approach to LMI across regions wherever possible.

Agenda Item 6

Document is Restricted

**ECONOMY, INFRASTRUCTURE AND SKILLS COMMITTEE
WRITTEN EVIDENCE
EVIDENCE SESSION ON ELECTRIC VEHICLE CHARGING IN WALES
WEDNESDAY 15 MAY 2019**

Purpose

The purpose of this paper is to provide a response to the Economy, Infrastructure and Skills Committee report: Electric Vehicle Charging Infrastructure

Response

We welcome the draft report and thank the committee for their work.

Prosperity for All: A Low Carbon Wales¹ signifies our commitment to transition to a low carbon economy in line with the Environment (Wales) Act 2016 requirement to reduce emissions of greenhouse gases (GHGs) in Wales, by at least 80% for the year 2050. It describes how the Welsh Government is putting Wales at the forefront of a shift towards active travel and a low carbon public transport system, which is accessible to all and contributes to liveable and sustainable communities.

The plan includes nine policies and four proposals (proposals are for ideas - further development) relating to the transport sector pathway, including policies to increase the proportion of vehicles which are electric and ultra low emission, a bold ambition for a zero emission bus and taxi/private by 2028 and proposals to promote the decarbonisation of the Private Sector fleet in Wales. In addition, it also includes a proposal in the Public Sector Chapter that all new cars and light goods vehicles in the Public Sector fleet are ultra low emission by 2025.

Policy 51 sets out that the Welsh Government will 'Plan for and invest in EV charging infrastructure'. We will work with UK Government, local authorities, the energy sector and business to plan for and implement the roll out of EV charging infrastructure. Lack of charging infrastructure should not be a barrier to EV uptake in Wales.

We expect that business and industry will drive much of the roll out of charging infrastructure. However, it is essential that we and the UK Government take account of the differing geographical and economic context for the deployment, to ensure that no one is left behind in the transition to electric vehicles.

The Road to Zero² strategy sets out how the UK Government will support the deployment of charging infrastructure throughout the UK, through initiatives such as the £400 million Charging Infrastructure Investment Fund. We will work to encourage the uptake in Wales of UK Government grants such as the Electric Vehicle Homecharge Scheme, the Workplace Charging Scheme and the On-street Residential Chargepoint Scheme, offered by the Office for Low Emission Vehicles (OLEV).

¹ <https://gweddill.gov.wales/docs/desh/publications/190321-prosperity-for-all-a-low-carbon-wales-en.pdf>

² <https://www.gov.uk/government/publications/reducing-emissions-from-road-transport-road-to-zero-strategy>

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The requirement for and provision of charging infrastructure in Wales

There were just over 4,000 battery electric and plug in hybrid vehicles (EVs) registered in Wales at the end of Quarter 4 2018³. This represents an increase from just fewer than 3,000 at a similar point in 2017. Of the 4,000 vehicles 3,640 were cars, representing 0.23% of the 1.56m cars in Wales. As a comparison, Scotland has 10,000 electric cars representing 0.34% of their 2.9m cars. There were 760 new registrations of electric vehicles in Wales in 2017, compared to 2,435 in Scotland⁴.

A number of factors will influence the uptake of electric vehicles, however, the availability of a convenient chargepoint is undoubtedly one of the factors. Fuel and maintenance costs for electric vehicles are already lower than petrol and diesel equivalents, making them attractive to fleet buyers. It is likely that the purchase price of new electric vehicles will reach near parity with equivalent petrol or diesel cars in the first half of the 2020s, certainly with the retention of Government incentives for purchases. This will have a transformative impact on the market for electric vehicles, as has been the case for markets such as Norway.

As stated in Prosperity for All: A Low Carbon Wales, we will set out a strategy, for publicly available charging infrastructure, to at least meet the demand created by 60% of new sales for cars and vans being electric vehicles by 2030.

Development of a Wales charging infrastructure strategy

The strategy will aim to scope out the context for Welsh Government intervention in the provision of electric vehicle charging infrastructure. The development of a strategy will necessarily include significant consultation with local authorities, those engaged in the provision of EV chargers and the energy sector.

As acknowledged in the Committee's draft report there is a need to ensure that public funds are spent where there is clear evidence of market failure. Our engagement with charging providers and recent announcements in the press, suggests that the provision of charging infrastructure is approaching greater commercial maturity. There is an argument that the phase of development dependent largely on public subsidy, which Scotland has implemented effectively with the roll-out of the ChargePlace Scotland network, is now at an end. Future roll-out will take into account a more mature commercial context.

Planning for charging infrastructure is complex and battery technology, influencing vehicle range and the ability to cope with higher speed charging, is evolving rapidly. The behaviours and preferences of vehicle owners is also a variable which is difficult to predict. The strategy will look at current and potential future technology, funding programmes, the pipeline of investments by the private and public sector, and will apply these to a variety of charging requirements and scenarios as follows.

³ <https://www.gov.uk/government/statistical-data-sets/all-vehicles-veh01#ultra-low-emissions-vehicles>

⁴ <https://www.transport.gov.scot/publication/scottish-transport-statistics-no-37-2018-edition/sct01193326941-16/>

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- En route charging network

We agree with the Committee's emerging conclusion that there is a need for more charging infrastructure for electric vehicles in Wales, in particular rapid chargers away from the M4 and A55 corridors. This is our first priority, and we will utilise the £2m allocated as part of the budget agreement with Plaid Cymru for the roll out of a rapid charging network. Although a key requirement to address 'range anxiety', it is not anticipated that the number of charging sites required will be significant, possibly five or six sites. Although these will likely be hubs, hosting multiple chargers, offering various charging speeds suitable for multiple vehicle types.

- Home charging

For EV owners with the opportunity to charge at home, this is clearly the most convenient and almost certainly the most cost effective method of charging. 67% of dwellings in Wales have off-street parking⁵ and could likely utilise this for charging overnight. The provision of home chargepoints is supported by grants from the Office for Low Emission Vehicles (OLEV). The OLEV grant is now mandating the use of smart chargers with the ability to balance out the peaks and troughs of energy generation. We recognise the potential of home charging to increase the awareness and utility of renewable energy production.

- Workplace charging

For those without the ability to charge at home, workplace charging could offer a convenient alternative. We will encourage the uptake of Workplace Charging Scheme grant from OLEV. The potential for workplaces to allow public to access these facilities when they are not used by employees should also be explored as a potential revenue stream.

- Destination/parking based charging

We recognise that chargepoints at car parks, leisure and shopping amenities etc. are beneficial for those that don't have off street parking as well as for those who want to take an opportunity to top up their batteries. Businesses are now seeing the potential to attract customers by placing charging facilities near their premises.

Planning Policy Wales (PPW) includes a policy to encourage the uptake of Electric Vehicles. A minimum of 10% of non-residential car parking spaces are required to have EV charging points. Working with Transport for Wales we will assess the potential for charging at many of Wales' 250 railway stations. We will also work with Local Authorities to map out charging at other public sector sites. Many of these sites will be attractive to chargepoint providers.

⁵ Welsh Housing Conditions Survey 2017-18, Welsh Government

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The Office for Low Emission Vehicles (OLEV) has an 'On-Street Residential Grant Scheme' to provide local authorities with part funding for the installation of on-street electric vehicle chargepoint infrastructure. Cardiff has been successful in attracting funding for one such scheme and we will look to learn lessons from this trial.

- Bus, Taxi and Private Hire Vehicle charging

We will assess the requirement for rapid chargers to facilitate the transition to a cleaner taxi/PHV fleet learning from experiences elsewhere such as in London. We will also explore the potential to co-locate the significant charging requirement for buses with charging hubs for other uses such as private cars.

- Charging for fleets

We will look to advise fleets on charging requirements and co-ordinate practice as part of our commitments to promote the decarbonisation of public and private fleets as referenced in Prosperity for All: A Low Carbon Wales.

Grid capacity

We agree with the Committee's emerging conclusion that Welsh Government must work closely with the National Grid and District Network Operators to ensure the grid can accommodate EV charging in Wales.

We are working with stakeholders on local energy strategies, and with network operators, Scottish Power Energy Networks and Western Power Distribution on their innovation pilots. Scottish Power Energy Networks' Project CHARGE is an £8.5 million project which will enable a better understanding of network requirements to support Electric Vehicles, using the SP Manweb area as a case study to test how to deploy EV charging infrastructure.

It is also vital that we ensure the increased demand for electricity from the electrification of transport is met by renewable energy to secure decarbonisation outcomes. Welsh Government is keen to maximise the potential for increased demand for power to be served by locally owned generation in Wales.