

## Agenda – Pwyllgor yr Economi, Seilwaith a Sgiliau

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Lleoliad:	I gael rhagor o wybodaeth cysylltwch a:
Ystafell Bwyllgora 1 – Y Senedd	Gareth Price
Dyddiad: Dydd Iau, 6 Ebrill 2017	Clerc y Pwyllgor
Amser: 09.00	0300 200 6565
	<a href="mailto:SeneddESS@cynulliad.cymru">SeneddESS@cynulliad.cymru</a>

### Rhag-gyfarfod preifat (09:00–09:15)

#### 1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau

#### 2 Network Rail – Ymchwiliad i ddarparu masnachfaint y rheilffyrdd a'r metro

(09:15–10:15)

(Tudalennau 1 – 25)

Alexia Course, Cyfarwyddwr Rhaglen (Llwybr Masnachol a Newid), Network Rail  
James Jackson, Prif Noddwr Rhaglen Ailfasnachfreinio a'r Metro, Network Rail  
Tim James, Pennaeth Strategaeth a Cynllunio, Network Rail

Dogfennau atodol:

Y Briff Ymchwil

EIS(5)–11–17 (p1) Network Rail

### Egwyl (10:15–10:30)



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

### **3 Yr Adran Drafnidiaeth – Ymchwiliad i ddarparu masnachfaint y rheilffyrdd a'r metro**

(10:30–11:15)

(Tudalen 26)

Eddie Muraszko, Dirprwy Gyfarwyddwr, Marchnad Canolbarth a Gogledd Lloegr a Chymru, Yr Adran Drafnidiaeth

Stuart White, Cyfarwyddwr y Rhaglen, Gwasanaethau Rhwydwaith Llundain a De Ddwyrain Lloegr, Yr Adran Drafnidiaeth

Dogfennau atodol:

EIS(5)–11–17 (p2) Yr Adran Drafnidiaeth (Saesneg yn unig)

### **4 Panel sector peirianeg – Ymchwiliad i ddarparu masnachfaint y rheilffyrdd a'r metro**

(11:15–12:00)

(Tudalennau 27 – 33)

Ed Evans, Cyfarwyddwr, Cymdeithas Contractwyr Peirianeg Sifil Cymru (CECA Wales Cymru)

Neil Sadler

Keith Jones, Cyfarwyddwr, Sefydliad y Peirianwyr Sifil Cymru

Dogfennau atodol:

EIS(5)–11–17 (p3) Cymdeithas Contractwyr Peirianeg Sifil Cymru (CECA Wales Cymru) (Saesneg yn unig)

EIS(5)–11–17 (p4) Neil Sadler (Saesneg yn unig)

## **5 Papurau i'w nodi**

### **5.1 Gohebiaeth gan Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol ynghylch Adroddiad Blynyddol Horizon 2020 ar gyfer 2016**

(Tudalennau 34 – 35)

Dogfennau atodol:

EIS(5)–11–17 (p5) Gohebiaeth gan Ysgrifennydd y Cabinet dros Gyllid a

Llywodraeth Leol ynghylch Adroddiad Blynyddol Horizon 2020 ar gyfer 2016

**6 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer eitemau 7 ac 8**

**7 Papur cwmpasu – Effeithiau tagfeydd ar y diwydiant bysiau yng Nghymru**

(12:00–12:10)

(Tudalennau 36 – 39)

Dogfennau atodol:

EIS(5)–11–17 (p6) Papur cwmpasu

**8 Blaenraglen Waith**

(12:10–12:20)

(Tudalen 40)

Dogfennau atodol:

EIS(5)–11–17 (p7) Blaenraglen Waith (Saesneg yn unig)

**Egwyl (12:20–14:00)**

**9 Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith – Ymchwiliad i ddarparu masnachfaint y rheilffyrdd a'r metro**

(14:00–15:00)

(Tudalennau 41 – 45)

Ken Skates AC, Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith

Simon Jones, Cyfarwyddwr Trafnidiaeth a Seilwaith TGCh, Llywodraeth Cymru

Dogfennau atodol:

EIS(5)–11–17 (p8) Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith

**Ôl-drafodaeth breifat (15:00–15:15)**

Mae cyfyngiadau ar y ddogfen hon

## **Response to the National Assembly for Wales’ Economy, Infrastructure and Skills Committee Inquiry: Rail franchise and Metro**

### **Network Rail: the national System Operator**

Great Britain relies on railways for economic growth, creating jobs and building sustainable communities. Across Wales and the English Borders the railway is the economic and social lifeblood of many towns, cities and rural communities.

Network Rail operates, maintains, renews and enhances Britain’s railway infrastructure. Following the reclassification of Network Rail as an arm’s-length public sector body in 2014, we continue to manage Britain’s railway infrastructure within our regulatory frameworks. As a public sector body, we are committed to delivering value to customers and taxpayers.

We have one of the safest and fastest-growing railways in Europe. The number of passenger journeys in Wales is at the highest point in modern times with over 30m journeys in 2015/16 - double the number travelling less than 20 years ago.

At the same time, over a half of Europe’s most congested infrastructure is found in Britain and Network Rail is responding by delivering our railway upgrade plan. Some recent examples include the £300 million Cardiff Area Signalling Renewal project, the upgrade of the Severn Tunnel as part of the electrification of the South Wales mainline, and the resignalling of the North Wales coast line currently underway.

Network Rail is a national business with devolved Routes running the railway day to day for the benefit of passengers and communities. The Wales Route was established in 2011 and is accountable for the safety, punctuality, operation, maintenance, renewal and improvement of the network. The devolved structure of the business in Wales means that Network Rail is prepared for further devolution of rail powers from Westminster to Cardiff, and we indicated our readiness in our evidence to the Silk Commission.

Our principal stakeholders are the Department for Transport, the Welsh Government and Transport for Wales, and our key customers are the Train and Freight Operators and the passengers and industries they serve. The Wales Route employs over 1,500 staff directly with thousands more skilled people employed through our local, regional and national supply chain. Across the Wales Route there are 246 stations, 1,545 track miles, 1150 level crossings and over 2,920 bridges.

Network Rail recognises the clear link between improving railway services for passengers and growing the economy. The railway will need further investment in order to modernise services and stations so that it is fit for the future. We welcome the Welsh Government’s ambitious proposals to invest in better services for passengers and the economy.

The Welsh Government owns the business case for the new rail service and the Metro. As custodian of the national rail network, Network Rail is supporting Welsh Government to understand the impact of the proposed rail service, as passengers and markets cross geographic and political boundaries.

As a public sector body, Network Rail wants to make sure the proposals are of value to all passengers and there is a benefit to taxpayers, as passengers elsewhere in the UK should be no worse off in terms of connectivity or cost of tickets. This is critically important because as System Operator for Britain’s railway, Network Rail must make sure that all of the plans and proposals fit together in the context of planning a reliable timetable that allows for journeys across Great Britain. The System Operator function is the glue that bonds the national timetable together.

## **Wales Route Study: dealing with growth across the route**

Network Rail has a licence condition to forecast demand growth for the rail market (both passenger and freight), and present options to accommodate that growth for governments and other funders. Our Wales Route Study covers much of the geography of the new rail service, and was published in March 2016.

In that document, we showed that the route had experienced a 46% increase in passengers since 2003, and we predict an increase in rail commuting to the Cardiff city region of 68% by 2023 and 144% by 2043. In the long term market major growth is also expected from South Wales to London, from North Wales to the English Midlands and the English North West, and from the Cambrian routes into the West Midlands.

Network Rail has set out a number of solutions to meet this growing demand for rail travel and these are set out as Choices for Funders. We provided evidence to a previous Committee Enquiry about these and a summary of some of the Choices for Funders follows:

- To introduce longer trains or more frequent services on the Valley Lines;
- Upgrade the relief lines between Severn Tunnel Junction and Cardiff;
- Redevelop Cardiff Central station to improve capacity and experience;
- Lengthen selected trains on the Cardiff to Manchester route;
- Improve speeds and train intervals on the North Wales Coast line;
- Improve frequencies of trains from Wrexham;
- Continuation of hourly services on the Cambrian line.

Other recommendations were made for funders, and more detail can be found in the document which is available via the Network Rail website

## **Network Rail's aspirations for the new rail service**

Network Rail has a number of aspirations for the new rail service, both tactical and strategic. They include (but are not limited to):

- Deepening collaboration between Network Rail and the ODP so that both organisations are driven to put passengers first;
- Aligning performance and punctuality incentives of both Network Rail and the ODP;
- Bringing Network Rail and ODP teams together to improve communication;
- Commitment to reliable timetables and joined up planning processes;
- Provision digital railway capability across the system, including rolling stock;
- Fitment of on-train infrastructure monitoring equipment;
- Preventing the uncontrolled discharge of effluent onto the railway from the toilets on older trains, improving station environments and our workers' welfare.

Network Rail believes the new rail service provides a great opportunity for the infrastructure provider and the train operator to work more collaboratively in order to improve the public transport offer to passengers in Wales and the English borders. We have spoken with bidders about the potential for deepening our mutual incentives through the duration of the rail service grant to better align both partners in delivering for customers.

In the opportunities presented by Welsh Government's procurement approach we continue to work with both bidders and Transport for Wales to progress these aspirations, many of which require integration with a rolling stock strategy.

## **Network Rail's assistance in the procurement of an Operator & Development Partner (ODP)**

Welsh Government is procuring an ODP to provide passenger service throughout the Wales & Borders network, as well as propose infrastructure changes on the Core Valley Lines and potentially operate those routes as an Infrastructure Manager for Welsh Government.

Network Rail is assisting the procurement through the following activities:

- Providing information to bidders directly into the procurement data room and through the Clarification Question process managed by Transport for Wales;
- Meeting directly with bidders in Competitive Dialogue sessions overseen by Transport for Wales, helping bidders develop their proposals through meaningful exchanges;
- Assisting Transport for Wales in developing proposals to further devolve management of the Core Valley Lines (as below).

It should be noted that this is a live procurement exercise, and at the time of writing Network Rail has been given neither outline nor detail of what the bidders are proposing.

This is a novel procurement, both in terms of programme and award, which provides Welsh Government a vehicle to enable transformation of the Core Valley Lines. The procurement programme is driven by two determining factors: the expiry of the current franchise (October 2018) and the bringing into service of Core Valley Lines service enhancements to meet European Funding deadlines (2022/2023). Challenges also exist in the wider rail service geography, including the introduction of new rolling stock accessible to people of reduced mobility (2020 unless deferred).

Network Rail's view is that the procurement timeline is both understandable and very challenging, particularly in relation to the delivery of interventions in the Core Valley Lines. Wherever possible, Network Rail is planning its own activities to facilitate Welsh Government's programme.

### **Further devolution of the Core Valley Lines**

Since January 2016, Network Rail and Welsh Government have in place a Memorandum of Understanding regarding the parties' aspirations to further devolve parts of the Welsh rail network (the 'Core Valley Lines' from Cardiff Bay to Cardiff Queen Street and all points North thereof – see Figure 1 below). Our main relationship in delivering this further devolution has been with Transport for Wales.

Network Rail will support Welsh Government's aspirations provided there is no net adverse impact on Network Rail's business, and that the programme demonstrates a positive whole-industry business case. Network Rail has made further in-principle commitments for the comfort of Bidders in the procurement exercise, to the extent that it will facilitate a wide variety of outcomes including:

- the retention of the Core Valley Lines as part of Network Rail's infrastructure;
- the divestment of the Core Valley Lines to Welsh Government;
- the amendment of Network Rail infrastructure to facilitate interconnected services on a different pattern to present;
- the complete segregation of the Core Valley Lines and facilitation of the impact on Network Rail infrastructure.

Network Rail has an obligation to the Government to demonstrate the realisation of value from either transaction according to Treasury Green Book rules through the development of a Five Case Model business case. Any of the options above will need to satisfy a Network Rail business case which will be predicated on a commercial arrangement to hold Network Rail harmless from:

- inefficiencies incurred as a result of a changed geography for Wales Route;
- a reduction in our income which is not matched by a reduction in our costs;

- effects on our current or future Control Period settlements that cannot be renegotiated with the Office of Rail and Road;
- liabilities related to the Core Valley Lines, principally the value of the debt associated with the assets but also including obligations relating to the infrastructure.

Network Rail manages assets by class rather than on a line-of-route basis. Nevertheless it has tried to estimate the likely costs and benefits arising from the Core Valley Lines infrastructure (as part of the national rail network) to inform both Welsh Government and the Bidders of the scale of Network Rail's business in the Core Valley Lines.

Network Rail will assist Welsh Government in identifying the obligations currently met by Network Rail which may need to be undertaken either by the future owner of the asset, or the future Infrastructure Manager. It is helpful to think about the further devolution of the Core Valley Lines as being formed of two distinct elements:

- 1) Transfer of the Core Valley Lines' assets from the ownership and control of Network Rail to Welsh Government; and
- 2) The relinquishing of Network Rail's Infrastructure Manager role over the Core Valley Lines routes, to be assumed by the ODP.

These two elements need not occur at the same time. The infrastructure can continue to be managed by Network Rail as an agent of the new owner, Welsh Government, until such a time as the ODP is in a position to assume the responsibility of Infrastructure Manager. This might even be done on a line-by-line basis, if appropriate. Network Rail continues to offer a flexible approach to Welsh Government to mitigate risks that might arise from the challenging programme.

### **Wales & Cross Border services: the wider network**

Among the principal challenges relating to the wider network is the delivery of the Cabinet Secretary's priority of new rolling stock within the legal timescales related to provision of access for people with reduced mobility. Unless derogations are successfully obtained, rolling stock must be compliant with statutory obligations in 2020. A rolling stock strategy within an existing franchise would normally provide for this but as the rail service commencement falls close to the compliance deadline, Welsh Government have chosen to include new (or retrofitted) stock as a condition of the grant award. Different bidders will have different proposals to meet this need, and therefore industry process relating to the introduction of new rolling stock may come under significant pressure.

Other deliverables across the rest of the network may include bidders' proposals for new infrastructure including platforms, passenger facilities and potentially system enhancements. Network Rail is open to a range of appropriate delivery routes for new infrastructure, notwithstanding its need to protect its own infrastructure and the integrity of the wider network. When we are informed of bidders' proposals we will happily give advice about possible delivery routes for such work.

### **Programme and risk**

Network Rail anticipates two challenges in Welsh Government's procurement programme, particularly in relation to the Core Valley Lines elements:

- 1) Scale of commercial transactions

The accurate description of the Core Valley Lines and their conveyance from Network Rail to Welsh Government, as well as the transfer of the Infrastructure Manager business to the successful ODP, is a large and complex transaction. Due diligence and final terms for both will not be complete prior to the award of the rail service grant.



## 2) Technological outcomes

The potential creation of a separate network with interconnecting services – if this is procured by Welsh Government – will introduce novel interfaces to the Cardiff area, potentially with new technologies and new rail vehicles. Network Rail will facilitate this to the greatest extent possible while maintaining the integrity of our infrastructure and the safety of the network.

### **Summary of Network Rail's support for Welsh Government**

- 1) Provision of options for funders in the 2016 Wales Route Study, creating the case for investment and change;
- 2) Clear statements of intent to government and the rail industry with our Memorandum of Understanding and In-Principle Commitment;
- 3) Support for bidders at both Outline Solutions and Competitive Dialogue phases of procurement, including direct meetings and provision of information;
- 4) Provision of novel and detailed information far in excess of classic refranchising;
- 5) Preparing with Transport for Wales a joint programme for procurement and delivery;
- 6) Drafting and agreement of a joint commercial plan relating to regulatory, financial and commercial changes related to the Core Valley Lines;
- 7) Preparation of Network Rail's business for future changes, and the recruitment of staff to facilitate the transition.

Figure 1: Core Valley Lines





## Department for Transport

### **National Assembly for Wales EIS Committee inquiry - Rail Franchise and Metro**

#### **Submission from the Department for Transport**

The UK Government agreed in principle to devolve the Wales and Borders franchise in November 2014 so that the Welsh Government could lead on procurement of its replacement from October 2018.

Through its agency, Transport for Wales (TfW), the Welsh Government is currently progressing a wider procurement of an operating and delivery partner for a combined Wales and Borders franchise operation and development of a South Wales Metro system (including enhancement and taking over the management of the core Valley Lines).

In October last year, agreement was reached with the Welsh Government on the geographical scope of their franchising powers and on the terms of an 'agency' agreement enabling the Welsh Ministers to exercise certain powers of the Secretary of State in order to announce their shortlist of bidders, in advance of the transfer of franchising powers.

It has been agreed that the Welsh Ministers should be provided with statutory franchising powers within Wales. In addition they should be provided, through a further agency agreement, with the necessary powers to specify and manage the English component of cross-border services and services wholly within England subject to certain requirements in relation, for example, to the franchise's specification and management in respect of England and future funding. This approach ensures the Secretary of State's democratic accountability for rail operations in England, while avoiding the need to remap any current Wales and Border services to other franchises.

The Department is working closely with the Welsh Government and TfW both to support their procurement exercise and to reach final agreement on the terms of devolution; and is expecting to have completed all necessary steps in time to enable an Order to effect a transfer of franchising powers to come into force before the end of this year.

In recognition of the fact that the Secretary of State has legal obligations to consult Passenger Transport Executives on new franchises, the current Welsh Government public consultation on the priorities for the next franchise is also being undertaken on behalf of the Department for Transport.

24 March 2017

Pwyllgor yr Economi, Seilwaith a Sgiliau/ Economy, Infrastructure and Skills Committee

Masnachfrait Rheilffyrdd a chyflwyno Metro / Rail Franchise and the Metro

Ymateb gan Gymdeithas Contractwyr Peirianeg Sifil Cymru / Evidence from Civil Engineering Contractors Association (CECA) Wales

Thank you for the opportunity to provide evidence to the Economy, Infrastructure and Skills Committee on the development of the Wales and Borders Rail Franchise and South Wales Metro.

As a Chartered Civil Engineer and Director for the Civil Engineering Contractors Association (CECA) Wales I feel that this represents a hugely exciting opportunity to develop rail services across Wales, improve the economic prospects of Wales and to further opportunities for our members. We represent 60 of Wales' largest and smallest civil engineering contracting businesses with a cumulative annual turnover in excess of £1bn and employing over 6,000 people. These businesses play a huge part in supporting communities across Wales and make a significant contribution to the economic prosperity of our nation. Our members are also major providers of training and apprenticeship opportunities and, on a more fundamental level, it is our members who will build the infrastructure that our nation needs to prosper - including, most probably, the infrastructure associated with the Rail Franchise.

To avoid straying into too broad a review of the franchise and the expected service benefits to rail users I have largely confined my comments to :

- the procurement processes associated with the letting of the franchise;
- the procurement of infrastructure partners;
- risks associated with the procurement process;
- the opportunities for Welsh SMEs;
- the broader community benefits which could/should accrue from the investment in infrastructure eg supply chains, skills and training, local communities.

**The procurement processes associated with the letting of the franchise**

Transport for Wales, as the procurer of the franchise, has elected to pursue a procurement process for its Operational Development Partner (ODP) based on the competitive dialogue process. Given the complexities associated with this franchise this would appear to be a very sensible approach. It is a recommended process for contracts which are particularly complex and where a client or purchaser is unable to clearly define a technical solution (and/or financial/legal solutions) to meet their needs or objectives. The process is also helpful where greater market innovation is required as it allows the buyer and suppliers to share knowledge and expertise to deliver specific outcomes. Many would say it takes collaboration to a far more mature level where greater benefits can be achieved. Given the particular circumstances surrounding this franchise, the current pace of technological change, potential changes in customer/citizen expectations, continuing uncertainties over future responsibilities and the lessons learnt from the inflexibility of the previous franchise this approach, whilst open to certain risks, offers a practical and flexible way forward.

## **The procurement of infrastructure delivery partners (separate to the franchise)**

Whilst a competitive dialogue process is being followed to appoint an ODP (including a preferred infrastructure partner) this is unlikely to be appropriate for appointing other infrastructure partners to either support the “ODP infrastructure partner” to deliver the initial improvements or to be commissioned separately during the term of the franchise to deliver further improvements or maintenance work.

The proposal by TfW is that separate framework agreements (also referred to as “call off” contracts) be established with other infrastructure delivery partners for a range of services. These frameworks would also be open to those infrastructure partners bidding as part of the ODP process. This provides an opportunity for contractors based in Wales to directly engage with TfW to undertake works across Wales over the 15-year period. For these arrangements to be successful they need to be procured and managed in a collaborative manner following industry good practice and compliant with the Welsh Government’s Procurement Policy Statements. Forms of contract should be collaborative with the NEC form of contract providing a well-established template.

## **The risks associated with the procurement process for the ODP?**

Whilst the process of competitive dialogue would be considered appropriate in these circumstances the approach would not be considered “routine” and, as far as I am aware, has not been pursued previously in the UK rail sector. The obvious risk arising from this is that there is no previous experience to learn from. However, the approach has been used in other sectors and the process is relatively well understood.

In addition to the risk of being a “trailblazer” in this sector the following risks also need further consideration :

1. The availability of skilled personnel within the public sector to manage the process, particularly in the rail environment;
2. The ongoing uncertainty in areas such as :
  - a. the devolution of powers for the rail sector in Wales;
  - b. electrification of the mainline to Swansea;
  - c. the availability of suitable rolling stock;
3. Difficulties in estimating costs;
4. The relatively tight timescales.

### **1. Skilled personnel**

Given the significant demand for skilled personnel in the rail sector plus the specific procurement expertise needed in this area the resources available to TfW need to be carefully scrutinised to ensure that agreed timescales are maintained and value for public money is delivered. Their current establishment appears “light” although it is recognised that they have some experienced and competent individuals in place. However, serious consideration should be given to strengthening the TfW team with “contracting” expertise to support assessment of “buildability” of any proposals from the potential franchisees, to commercially assess risks and to quality assure/reality check cost proposals (to avoid unrealistic budgeting).

### **2. Ongoing uncertainty in a number of areas**

There are a number of fundamental ongoing uncertainties with this project which need to be brought to a conclusion quickly if the process is to continue. TfW is unlikely to be able to fully

control these uncertainties and is probably highly dependent on the cooperation of others to address them.

The potential impacts on Network Rail arising from the considerable changes which will arise from this project (loss of control, authority, influence, etc) could, if not sensitively managed, create a culture of non/limited cooperation which may impact timescales and costs.

Uncertainty over future investment in electrification of the main line to Swansea will make it difficult for potential franchisees and TfW to plan ahead/make effective decisions particularly in terms of rolling stock.

### 3. Difficulties in estimating costs

Projects of this scale and nature are often susceptible to cost differentials and the complexity and risk associated with this project will need careful management and constant scrutiny. As mentioned in point 1 I feel that consideration should be given to introduce a “contractor” presence within the TfW team to support assessments of “buildability” of any proposals from the potential franchisees, to commercially assess risks and to quality assure/reality check cost proposals (to avoid unrealistic budgeting).

### 4. Timescales

The process for competitive dialogue is essentially based on 4 key stages :

- Pre-qualification stage - to identify a “select list” of potential bidders
- Invitation to dialogue - to develop a shortlist of bidders
- Invitation to continue to dialogue - to refine the shortlist
- Final tender - to identify the preferred bidder

However, considerable resource is needed early in the programme, particularly during the dialogue stages, to ensure that bidders proposals are adequately scrutinised. This risk follows on from the availability of skilled personnel and ongoing uncertainties/indecision. Timescales are likely to be compromised unless both issues are addressed.

Note. There is less risk associated with the procurement process for other infrastructure delivery partners (outside the franchise arrangements) as the procurement proposals are well understood and practiced. However, as mentioned throughout this correspondence it is important that arrangements be progressed on a collaborative basis utilising good industry practices.

### **The opportunities for Welsh SMEs - through “sensitive” procurement**

As this project progresses we would hope to see significant opportunities for Welsh suppliers both in infrastructure and other sectors. We would hope to see the principles set out in the Welsh Government’s Procurement Policy Statements fully applied and would recommend that this be reviewed in the context of the construction sector.

CECA Wales and its partners across the UK recently produced its “CECA Procurement Report - Directions in Policy for the UK Construction Sector” which we have shared with a number of major infrastructure clients across Wales. The report contains recommendations for improving the procurement process which continues to be far too bureaucratic and costly across the UK.

We would be very happy to share this with the Committee and with TfW with a view to influencing better outcomes for Welsh SMEs from this process.

**What are the wider benefits we should expect to see?**

A range of broader community benefits could/should accrue from the investment in infrastructure eg growing supply chains, extending skills and training opportunities, direct benefits to local communities and employment opportunities for disadvantaged groups. Whilst the Welsh Government's Procurement Policy Statements and associated guidance set out how much of this can be achieved there is an opportunity, via this project, to develop a multi-agency approach to properly coordinate activities. This should be established in advance of any contract awards to proactively support those delivering infrastructure to maximise these wider benefits. It should not be seen by TfW or the successful ODP as a means of transferring these responsibilities down the supply chain - otherwise the full benefits will be lost.

We would like to see greater engagement of the civil engineering contracting sector by TfW in assessing the implications for the procurement process from the Wellbeing of Future Generations Act. This could take the form of a joint workshop involving Welsh Government officers, TfW, the civil engineering contracting sector and the Future Generations Commissioner to test opportunities via the procurement process.

**Wider concerns**

A further concern which needs to be considered relates to the longer-term liabilities associated with the existing infrastructure assets, particularly if TfW adopt the Infrastructure Manager role from Network Rail. The rail network in Wales, and the Valley Lines in particular, are very old and it is probable that maintenance expenditure on many assets in Wales will have been reduced in anticipation of potential capital improvements to these assets. To avoid acceptance of unintended liabilities recent levels of rail funding in Wales should be examined to see if this is the case and appropriate budgetary adjustments should be made/sought to compensate.

I trust that these views and observations are helpful to you and your Committee but please contact me should you wish to discuss these matters in greater detail.

Yours sincerely

**Ed Evans**  
Director, CECA Wales/Cymru

This contribution is in response to the invitation from the Committee to comment on the issues being considered by the enquiry and provides the observations of the writer as professional engineer with over 40 years' experience in UK infrastructure. It is based on a limited knowledge of the current procurement process obtained via the media and public notices. It does not necessarily represent the views of ACE members as no local consultation has been undertaken. This is because many of our active members currently have direct interest in the procurement process.

Before addressing the noted issues directly an observation is made on the timing of this particular Committee Enquiry. It is understood that the procurement process is underway and it is assumed that the rules for tendering are established with the bidding teams through documentation issued by Transport for Wales (TfW). It is also recognized that the EIS Committee will wish to be well-informed when scrutinising Welsh Government proposals for award of the Contract. It is suggested therefore that care is needed in the timing of any negative or specification-changing recommendations that might jeopardise the award process. The costs of tendering by the four teams will be substantial such that the appraisal process will itself be under close scrutiny by them. The East Coast Main Line franchise experience might be noted in this regard.

Issue 1: The effectiveness of the Welsh Government's approach to the development, procurement and delivery of the rail franchise and South Wales Metro, including key risks and how they can be mitigated;

- a) The initiative has been described as an "ambitious and creative not for profit model". The procurement strategy is agreed as bold and ambitious and is possibly, in its £5bn value, of unprecedented scale in Wales. The apparent objective to pursue an integrated transport agenda is welcomed but it is suggested that highly effective project management will be vital to the successful delivery of the development objectives. This will require appointment of an exceptionally well-skilled team with extensive experience of projects of the largest scale but with the adaptability and local knowledge to deal with the plethora of stakeholder issues that will inevitably arise when working in the urban environment with 100+ year old infrastructure. A clear plan with no invisible obstacles and continual funding stream will be vital. Lessons learned from the Great Western Electrification projects will be important.
- b) Without knowledge of any tender specification, stipulated or anticipated requirements for passenger movements in the Metro are not clear. It seems important that the over-arching objectives are established – for example – are commuter movements in and out of Cardiff to be prioritised (68% growth recently predicted). Or, given restrictions on land and the desire to create employment in the Valleys should the motivation be to transport people out of the city areas? Movements of not just passengers needs proper planning – freight is also important.

- c) It is noted that three of the four tendering teams have a high level of representation of companies from mainland Europe. Is the (possibly unknown) effect of Brexit on these companies manageable within the tender process given the proposed award early in 2018?
- d) Information on proposed coordination and, hopefully, collaboration with Network Rail has not been seen. The project management referred to above will need to fully embrace all the interfaces with Network Rail and other Train Operating Companies (including freight operators) active in Wales. Clearly defined objectives and responsibilities will be needed and the necessary resources committed in the interests of timely involvement and delivery.

#### *Issue 1(continued)*

- e) Not all of the rail routes are contained wholly within Wales – it is assumed that an appropriate arrangement exists with UK government to avoid an imbalance of investment through cross border interests.
- f) It appears that the procurement process includes for separate opportunities for (other) infrastructure contractors to undertake the detailed design and construction some of the development works under Early Contractor Involvement principles. Indications are that framework contracts will be established under 3 Lots — Electrification, General Civils and Track Works. A key strategy for the project will be in the way that these contracts are procured – how the workload is divided into manageable packages and how the appropriate capabilities and skills are procured efficiently. As Client TfW will wish to be assured that the Lead Contractor has proposals and demonstrable experience to do this effectively and the in-house resource to oversee this. Critical to this will be cross disciplinary coordination.
- g) Currently there is evidence of significant concern with other framework contracts in Wales – particularly with SME's who, at a recent conference, made strong assertions that it was easier to win work in England. This is likely to create challenges to the project in delivering the economic return to Wales and associated community benefits.
- h) As stated, this is an ambitious and possibly complex high value procurement such that identification of the favoured provider is likely to be a significant challenge. Without details of any scoring system or other means of judging proposals it is difficult to offer an opinion on the strategy for this but it seems likely that there is a prescribed process in place. The robustness to scrutiny of this process could be important.

Issue 2: Priorities for the franchise specification and Metro delivery to ensure rail services meet the needs of current and future travellers throughout the franchise area, and deliver value for money for both passengers and the taxpayer.

- i) Press reports have focussed quite heavily on the possible use of light railway and trams and the tendering teams apparently have significant experience of this type of project. It seems important to make sure that proper consideration is given to the movement of freight and that a “heavy rail”



facility remains as required and is developed as appropriate to aspirations for industrialisation. This is relevant to the plan for rail movements referred to in (b) above.

- j) The route plan for the Metro seems to focus largely on the routes in and out of the centre of Cardiff. East-West radial routes in the city are currently not well served and there would appear to be opportunity, presumably with interconnected bus routes, to improve this?
- k) There appears to be considerable focus on the involvement of the Metro scheme in the new Wales and the Borders franchise. It is hoped that emphasis on investment in some of the more outlying routes is not distracted by this and that the whole picture is given proper consideration in the assessment of tenders and agreement of the strategy going forward. The Heart of Wales Line and the Cambrian Lines are examples of valuable facilities in the promotion of Wales as a tourist destination and are significant in our cultural heritage. The legacy of the Beeching era is not a comfortable one and opportunities should be sought to maximise the benefit from these facilities.

#### *Issue 2 (continued)*

- l) 19<sup>th</sup> and 20<sup>th</sup> century industrialisation in Wales was heavily served by railways and dis-used and under-used routes are likely to exist both in South and North Wales. Since the proposed development of railways within this project is largely focussed on the urban areas land availability is almost certain to be a challenge. In both England and Scotland old disused routes have, or are being, reinstated – for example the East-West Route Project between Oxford and Cambridge and the Borders Railway. Similar opportunities may exist in Wales but even if none are shown to be viable there will be many existing rail corridors with “spare” width – for example where bi-directional single tracks have replaced original double tracks or the original track bed served multiple tracks such as around Cardiff. The current project could look to exploit such corridors for enhancement of the transport systems with the aim of minimising other interventions, and also for improvement of communication systems such as for Broadband.

# Eitem 5.1

Mark Drakeford AM/AC

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru  
Welsh Government

Russell George AC  
Cadeirydd, Pwyllgor yr Economi, Seilwaith a Sgiliau  
Y Pwyllgor Cyllid  
Cynulliad Cenedlaethol Cymru  
Bae Caerdydd  
CF99 1NA

27 Mawrth 2017

Annwyl Russell

Rwy'n ysgrifennu i roi gwybod ichi am gyhoeddi Adroddiad Blynyddol 2016 Horizon 2020 yng Nghymru.

Gyda chronfa ariannol o fwy na €70 biliwn, Horizon 2020 yw rhaglen ymchwil ac arloesi fwyaf erioed yr Undeb Ewropeaidd (UE) ac mae'n cynnig cyfleoedd gwirioneddol i sefydliadau o Gymru gymryd rôl flaenllaw ym meysydd ymchwil ac arloesi. Mae ein Papur Gwyn, 'Diogelu Dyfodol Cymru: Pontio o'r Undeb Ewropeaidd i berthynas newydd ag Ewrop' a gafodd ei lansio ar y cyd, yn nodi'n glir iawn beth yw'r manteision economaidd a chydweithredol a ddaw i Gymru drwy Horizon 2020, a pha mor bwysig fydd hi inni barhau i gymryd rhan yn Horizon 2020 a'r rhaglen a fydd yn ei holynu wedi i'r DU ymadael â'r UE.

Mae'r adroddiad, sydd bellach ar gael yn <http://gov.wales/docs/wefo/publications/170327-horizon-annual-cy.pdf>, yn nodi sut mae sefydliadau o Gymru wedi perfformio hyd yn hyn o cael cyllid Horizon 2020; mae'n nodi hynt y gwaith o gyflawni ein hamcanion allweddol i sicrhau mwy o lwyddiant; a mae'n rhoi cipolwg ar weithgareddau'r rhaglen yn 2017. Mae'r adroddiad hefyd yn cynnwys nifer o enghreifftiau o sefydliadau sydd wedi elwa ar y ffynhonnell ariannol bwysig hon o gyllid yr UE.

Mae'n dda gweld y cynnydd a wnaed yng Nghymru o ran cael cyllid o dan y rhaglen hon sydd mor gystadleuol. Fis Hydref diwethaf, cyrhaeddwyd carreg filltir sylweddol, gyda sefydliadau yng Nghymru yn sicrhau dros €54m o gyllid Horizon 2020.

Mae'r adroddiad blynyddol hefyd yn amlygu llwyddiannau sylweddol eraill, gan gynnwys y ffaith bod nifer y gweithgareddau y mae sefydliadau o Gymru wedi ymgymryd â nhw o dan y rhaglen wedi dyblu, bron, ers yr adroddiad blynyddol diwethaf; lefel uchel o gyfranogi gan fusnesau yng Nghymru; enghreifftiau o weithio ar draws sefydliadau; a defnydd effeithiol o'r

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

[Gohebiaeth.Mark.Drakeford@llyw.cymru](mailto:Gohebiaeth.Mark.Drakeford@llyw.cymru)  
[Correspondence.Mark.Drakeford@gov.wales](mailto:Correspondence.Mark.Drakeford@gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Cronfeydd Strwythurol i helpu i adeiladu'r capasiti y mae ei angen i fanteisio ar ffynonellau ariannol cystadleuol megis Horizon 2020.

Bydd y llwyddiannau hyn yn cael eu dathlu yn ein digwyddiad Horizon 2020 blynyddol a gynhelir yng Nghaerdydd ar 30 Mawrth, a bydd cyfleoedd i drafod ymhellach gyda'n partneriaid er mwyn ein helpu i wneud y gorau o Horizon 2020 yn y misoedd a'r blynyddoedd i ddod.

Yn gwyr

A handwritten signature in dark ink, appearing to read 'Mark Drakeford'. The signature is fluid and cursive, with the first name 'Mark' and the last name 'Drakeford' clearly distinguishable.

**Mark Drakeford AM/AC**

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government

# Eitem 7

Mae cyfyngiadau ar y ddogfen hon

## Eitem 8

Mae cyfyngiadau ar y ddogfen hon

1. Pwrpas y papur hwn yw rhoi tystiolaeth ysgrifenedig i Bwyllgor yr Economi, Seilwaith a Sgiliau ar wasanaethau rheilffordd Cymru a'r Gororau a Metro De Cymru.

### **Cefndir**

2. Yn 2014 cyhoeddwyd y byddai'r cyfrifoldeb dros fanyleb a chaffael gwasanaeth rheilffordd nesaf Cymru a'r Gororau yn cael ei drosglwyddo i Lywodraeth Cymru. Rydym yn mynd ymlaen â'r broses gaffael hon ar sail y cytundeb hwn.
3. Er mwyn cyflawni ein huchelgais mae'n rhaid i Lywodraeth Prydain fodloni ein disgwyliadau ar y canlynol:
  - Llywodraeth Prydain i drosglwyddo'r pwerau ar amser ac fel a gytunwyd.
  - Llywodraeth Prydain a Network Rail i gytuno ar ein cynlluniau ar gyfer Rheilffordd y Cymoedd, sy'n cael eu trafod ar hyn o bryd.
  - Yr Adran Drafnidiaeth i gytuno ar drefniadau ariannol addas ar gyfer seilwaith Rheilffordd y Cymoedd.
4. Rydym yn parhau i bwysu ar Lywodraeth Prydain i sicrhau newid yn y ddeddfwriaeth a fyddai'n caniatáu i gyrff y sector cyhoeddus weithredu fel masnachfreintiau, fel yn yr Alban, ond fel a ddigwyddodd gyda cheisiadau eraill, cafodd hyn ei wrthod.
5. Er gwaethaf y ffaith nad yw Llywodraeth Prydain yn datganoli'r ystod llawn o bwerau, rydym wedi datblygu dull o weithio sy'n darparu llawer o'r hyn yr ydym yn anelu at ei wneud, sy'n golygu bod modd gwneud rhagor o ddatblygiadau pan gaiff y pwerau hyn eu datganoli.
6. Mae gwasanaeth rheilffordd dibynadwy o safon sy'n rhan o system drafnidiaeth gyhoeddus integredig ledled Cymru yn ganolog i'n gweledigaeth o system drafnidiaeth integredig.
7. Daw yr agenda hon â heriau amlwg, ond hefyd gyfleoedd gwych i ddarparu ein huchelgeisiau ehangach am rwydwaith integredig amlfoddol mwy a gwell sy'n gwasanaethu anghenion teithwyr, cerddwyr a beicwyr ar drafnidiaeth gyhoeddus ledled Cymru.
8. Trwy ail-fuddsoddi arian yn y gwasanaethau sydd eu hangen fwyaf a darparu system drafnidiaeth decach a gwell, gallwn helpu i gefnogi twf economaidd a chreu cymunedau cryfach a Chymru gryfach yn ôl dymuniad pawb.
9. Yn chwarter cyntaf 2016, cynhaliwyd ymgynghoriad cyhoeddus oedd yn anelu at lywio dull Llywodraeth Cymru o gaffael gwasanaethau rheilffordd nesaf Cymru a'r Gororau. Roedd y rhai a ymatebodd i'r ymgynghoriad yn pwysleisio'r angen i wella profiad y teithwyr a chafwyd eu barn ar ystod eang o feysydd.
10. Y meysydd sy'n cael eu hawgrymu i'w hystyried yw lleihau amseroedd teithio cyffredinol, lleihau costau, gwella capasiti, gwell hygyrchedd, cysylltedd a gwasanaethau mwy prydlon, dibynadwy ac o safon uwch.

## **PWYLLGOR YR ECONOMI, SEILWAITH A SGILIAU TYSTIOLAETH YSGRIFENEDIG – GWASANAETHAU RHEILFFORDD A'R METRO**

### **Trafnidiaeth Cymru**

11. Sefydlwyd Trafnidiaeth Cymru (TfW) gennym fel cwmni di-elw yng ngofal cwmni arall i roi cefnogaeth ac arbenigedd i Lywodraeth Cymru ym maes prosiectau trafnidiaeth yng Nghymru. Gweinidogion Cymru fydd yn gwneud unrhyw benderfyniadau ar gaffael ac unrhyw drefniadau yn y dyfodol, er bod hyn yn dibynnu ar sicrhau bod swyddogaethau yr Ysgrifennydd Gwladol dros Drafnidiaeth yn cael eu trosglwyddo ar amser.
12. Cynlluniwyd ei strwythur i fod yn hyblyg, gyda'r gallu i addasu adnoddau yn unol ag anghenion y prosiect a gofynion amrywiol, a'i wneud yn haws i Lywodraeth Cymru recriwtio sgiliau o'r farchnad yn gyflymach.
13. Mae Trafnidiaeth Cymru yn rhoi cyngor a barn arbenigol ar hyn o bryd i helpu inni ddatblygu ein gofynion am Weithredwr a Partner Datblygu ar gyfer gwasanaethau rheilffordd a'r Metro, a chwsoch dystiolaeth yn ddiweddar o'r broses gaffael sy'n digwydd ar hyn o bryd.
14. Mae'r broses gaffael yn mynd rhagddi. Mae natur y broses hon yn golygu bod manylion sut y byddwn yn cyflawni ein blaenoriaethau yn cael ei lywio gan gyngor gan Trafnidiaeth Cymru a'r trefniadau sy'n cael eu cynnig gan y cynigydd buddugol.
15. Unwaith y bydd y contract wedi ei drefnu bydd y sefydliad newydd yn gyfrifol am reoli a chydgyssylltu gwasanaethau megis marchnata a thocynnau integredig.
16. Mewn amser y bwriad yw sicrhau y pwerau sydd eu hangen i'w alluogi i ysgwyddo ystod ehangach o swyddogaethau trafnidiaeth sy'n debyg o ran natur i'r ffordd y mae Transport for London yn rheoli'r rhwydwaith trafnidiaeth cyhoeddus yn Llundain.
17. Byddaf yn gwneud penderfyniadau ar y trefniadau hyn pan fydd yn briodol.
18. Cyn y penderfyniadau hyn, cyhoeddais yn ddiweddar y byddai Pencadlys Trafnidiaeth Cymru, y Gweithredwr a'r Partner Datblygu ym Mhontypridd.

### **Caffael Cymru a'r Gororau a Metro De Cymru**

19. Byddai'n amhriodol inni ddarparu rhagor o fanylion ar y broses gaffael, fodd bynnag cafodd y cynigwyr flaenoriaethau Llywodraeth Cymru ar ddechrau'r broses gaffael. Rydym yn disgwyl i gynigion cael eu halinio â'r blaenoriaethau hyn yn amodol ar ffrwyth y trafodaethau yn ystod y broses gystadlu.

### **Cyffredinol**

- Dylid sicrhau bod yr holl weithgareddau yn cefnogi polisïau a strategaethau Llywodraeth Cymru.
- Dylid sicrhau aliniad â datganiad polisi'r Ysgrifennydd Gwladol dros Drafnidiaeth a gyhoeddwyd ym mis Mawrth 2013 yn unol â'i bwerau o dan adran 26(1) o Ddeddf Rheilffyrdd 1993.

## **PWYLLGOR YR ECONOMI, SEILWAITH A SGILIAU TYSTIOLAETH YSGRIFENEDIG – GWASANAETHAU RHEILFFORDD A'R METRO**

- Dylid sicrhau'r budd mwyaf posibl i economi Cymru a'r Gororau.
- Ni ddylid cynyddu lefel y cymhorthdal presennol ac mae angen darparu achos busnes clir sy'n nodi'r angen am gynydd os teimlir bod angen hynny.
- Dylai Trafnidiaeth Cymru roi cymhellion priodol i weithredwr a'r gadwyn gyflenwi gysylltiol i ddarparu canlyniadau contract sy'n rhoi gwerth ein harian, a rhoi barn deg am gynigion dielw. Dylai unrhyw gontract gymell ail-fuddsoddi i wella'r rhwydwaith / gwasanaeth.

### **Ystyriaethau Rhanddeiliaid / Teithwyr**

- Dylid ystyried pob barn a fynegwyd gan y rhanddeiliaid yn ystod ymgynghoriad cyhoeddus diweddar Llywodraeth Cymru ar ganlyniadau ansawdd.
- Dylid parhau â'r gweithgareddau ymgysylltu â rhanddeiliaid gan gynnwys cynnal o leiaf un ymgynghoriad cyhoeddus deuddeg wythnos arall cyn i unrhyw wahoddiad i dendro gael ei gyhoeddi.

### **Cysylltu â gweithwyr**

- Dylid gwneud trefniadau sy'n sicrhau bod cyflogeion yn rhan effeithiol ac adeiladol o'r broses gwneud penderfyniadau.

### **Gwella effeithlonrwydd ariannol a gweithredol**

- Dylid gwneud pob ymdrech i gael mwy o'r fasnachfaint newydd fel bod cymhorthdal y Llywodraeth yn rhoi mwy inni am ein harian
- Dylid gwneud trefniadau i sicrhau ansawdd ac adolygu'r contract ar gyfnod(au) priodol



## **PWYLLGOR YR ECONOMI, SEILWAITH A SGILIAU TYSTIOLAETH YSGRIFENEDIG – GWASANAETHAU RHEILFFORDD A'R METRO**

### **Meithrin technoleg newydd**

- Dylid annog y defnydd o dechnolegau newydd, pan fyddant yn debygol o wneud gwelliannau i deithwyr, heb leihau lefelau staffio cyffredinol o ganlyniad i hynny.

### **Gwasanaethau**

- Dylid darparu'r amrywiaeth gorau posib o wasanaethau, gan gynnwys gwasanaethau addas tebyg i Metro yng Ngogledd Cymru a chreu Metro De Cymru.
- Dylid sicrhau:
  - Ieiaf, bod amlder a chysylltedd y gwasanaethau presennol yn cael eu cynnal, oni bai bod achos clir dros newid.
  - Bod opsiynau yn cael eu hystyried ar gyfer defnydd effeithlon o gapasiti sbâr ar y rhwydwaith ar hyn o bryd, neu a ddaw ar gael yn ystod oes cytundeb y fasnachfaint newydd.
  - Bod cyfleoedd yn cael eu hystyried i gynnwys gwasanaethau newydd yn amodol ar gyfyngiadau seilwaith ac asesiadau achos busnes.
  - Bod y capasiti ar gyfer traffig nwyddau yn cael ei ddiogelu.
  - Bod hyblygrwydd ar gael i gynnwys gwasanaethau ychwanegol yn effeithiol pan fydd capasiti a seilwaith newydd ar gael.
- Metro De Cymru:
  - Dylid sicrhau'r gallu i weithredu o leiaf 4 trên yr awr ar draws Rheilffyrdd Craidd y Cymoedd gyda threnau amlach i'r de o Bontypridd a Chaerffili.
  - Dylid ceisio lleihau'r amserau teithio ar Rheilffyrdd Craidd y Cymoedd 20% o'u cymharu â'r amserlen bresennol.
  - Disgwylir i system Rheilffyrdd Craidd y Cymoedd gynnal neu addasu gwasanaethau nwyddau yn y dyfodol gan gynnwys cyd-fodoli â dulliau teithio posib eraill.
  - Dylid gweithredu gwasanaethau uniongyrchol rhwng y prif ardaloedd preswyl yn ardal y Metro, gan gynnwys Dinas Caerdydd a'r Bae.
  - Dylid sicrhau'r potensial i ehangu a chreu gorsafoedd ac estyniadau newydd gan gynnwys gwasanaethau ar y stryd.

### **Cerbydau**

Rhaid i gerbydau:

- Ddarparu mwy o le i deithwyr a'r twf a ragwelir yn nifer y teithwyr.
- Darparu safonau gwell er mwyn bodloni disgwyliadau cynyddol y teithwyr, gan gynnwys darparu Wi-Fi a mannau gwefru.
- Cynnwys digon o le i storio bagiau a beiciau.
- Cydymffurfio â Rheoliadau'r Fanyleb Dechnegol ar gyfer Rhyngweithredu i Bobl â Symudedd Is.

## **PWYLLGOR YR ECONOMI, SEILWAITH A SGILIAU TYSTIOLAETH YSGRIFENEDIG – GWASANAETHAU RHEILFFORDD A'R METRO**

- Defnyddio Toiledau sy'n Rheoli Allyriadau ar bob cerbyd trên lle darperir toiledau.
- Defnyddio tyniant trydan ar lwybrau trydan newydd y Cymoedd.

### **Gorsafoedd**

- Dylid trefnu bod cynllun gweithredu blaenoriaethau yn cael ei ddatblygu cyn i'r fasnachfaint newydd gael ei chreu, i nodi cyfleoedd ar gyfer gwelliannau i orsafoedd, gan gynnwys mewn perthynas â hygyrchedd ac integreiddio dulliau eraill o deithio. Mae angen nodi sut y gellir cyflawni hyn a'i ariannu wrth weithio gyda deiliad y fasnachfaint newydd, Network Rail a Llywodraeth y DU.

### **Depos**

- Dylid ystyried y defnydd o ddepos ledled Cymru a'r Gororau gan gynnwys depo Glandŵr.

### **Prisiau a Thocynnau**

- Dylid annog mwy o nawdd ar adegau distaw ar wasanaethau lle nad oes llawer o deithwyr.
- Dylid cynnwys gostyngiadau i bobl sy'n gweithio patrymau gwaith afreolaidd neu ran amser.
- Dylid cynnal yr opsiynau presennol ar gyfer prynu tocyn gan ganiatáu ar gyfer tocynnau electronig a thocynnau clyfar yn y dyfodol.
- Dylid gwneud cynnydd sylweddol i integreiddio tocynnau trafnidiaeth gyhoeddus eraill yn well yn ystod oes y fasnachfaint.

### **Rheilffordd Gymunedol**

- Rhaid i'r gweithredwr weithio gyda Phartneriaethau Rheilffyrdd Gymunedol a hwyluso rhai newydd pan fydd gwerth gwneud hynny.

### **Cyd-weithio â darparwyr trafnidiaeth gyhoeddus eraill**

- Dylid sicrhau bod darparwyr trafnidiaeth gyhoeddus perthnasol, gan gynnwys awdurdodau lleol, yn rhan o'r broses ymgynghori ar gynigion pan fo hynny'n briodol.

### **Gwelliannau amgylcheddol**

- Rhaid gwneud trefniadau i wella effeithlonrwydd amgylcheddol ar draws y fasnachfaint.