

***BY SUBMITTING THIS REPORT TO THE CABINET OFFICE, I, ANDREW GREGORY, DIRECTOR OF PLANNING, TRANSPORT AND ENVIRONMENT AM CONFIRMING THAT THE RELEVANT CABINET MEMBER(S) ARE BRIEFED ON THIS REPORT***

**CARDIFF COUNCIL  
CYNGOR CAERDYDD**

**CABINET MEETING: 27 APRIL 2023**

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**DELIVERING CARDIFF'S SUSTAINABLE TRANSPORT  
STRATEGY: REVIEW OF ROAD USER PAYMENT OPTIONS**

**TRANSPORT & STRATEGIC PLANNING (COUNCILLOR DAN  
DE'ATH)**

**AGENDA ITEM:**

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**Reason for this Report**

1. To seek authority from Cabinet for endorsement of the in-principle case for the introduction of a Road User Payment (RUP) scheme subject to consultation and equality impact assessment of the proposals and the preparation of a robust business case.
2. To seek delegated authority from Cabinet for the Director of Planning, Transport and Environment to develop the business case and Welsh Transport Appraisal Guidance (WelTAG) studies for a Road User Payment scheme, subject to consultation with the Cabinet Member for Strategic Planning and Transport.
3. To seek delegated authority from Cabinet for the Director of Planning, Transport and Environment to establish a Review Group in WelTAG Stage 2 to recommend the preferred option to be taken forward to WelTAG Stage 3 preparation of the Final Business Case, subject to consultation with the Cabinet Member for Strategic Planning and Transport.
4. To note that the outcome of WelTAG Stage 2 Outline Business Case together with consultation responses and equality impact assessments will be presented to Cabinet for a decision on the preferred option to be taken forward for the WelTAG Stage 3 Full Business Case.

5. To note that the outcome of WeITAG Stage 3 Full Business Case will be presented to Cabinet for a final decision.
6. To seek authority from Cabinet to undertake the consultation and engagement associated with each stage of preparing the WeITAG business case for a Road User Payment scheme.
7. To seek authority from Cabinet to undertake research and prepare a communications and public and key stakeholders engagement strategy to support the preparation of the business case for a Road User Payment scheme.

## **Background**

8. Cardiff Council have in recent years been successful in the planning and implementation of major highway, public transport and active travel schemes that directly address the climate emergency and enhance citywide air quality. This includes achieving full compliance with the clean air direction on Castle St, the roll out of the city-wide cycle network, supporting public transport throughout the covid period, and partnering the development of the regional metro.
9. More recently, Cardiff has made a breakthrough in funding by successfully bidding for UK Levelling Up Funding and gaining significant support from Welsh Government in bringing forward the first phase of a new Cardiff Tram system.
10. Nonetheless, recent data from Public Health Wales demonstrates that across Cardiff and Vale poor air quality accounts for an effect equivalent of more than 200 deaths per annum. It is important to recognise the impacts on health and wellbeing that poor environmental quality produces directly attributable to congested, overcrowded and busy roads. These impacts disproportionately fall on those that are most vulnerable often living in the most deprived inner-city neighbourhoods.
11. In addition, data indicates that transport and congestion is responsible for 40% of Cardiff's carbon emissions.
12. In this context, despite significant success, it is clear that at the current rate of progress of mode shift the overarching low carbon, air quality and transport targets committed to by the Council in the 10-year transport and One Planet strategies are unlikely to be achieved. This fact presents a potentially critical position for the Council and one which, unless proactively addressed, is likely to have a significant detrimental impact on the city as a whole.
13. Indeed, analysis suggests that the levels of structural transport funding provided on an annual basis is approximately only 10-15% of the levels required to deliver the step change in train, tram, bus and cycle network and service quality to deliver this city-wide low carbon, and healthy transport environment. Without substantial new levels of infrastructure support – beyond that already made available by Welsh Government and

the Council itself - the scale of bus and rail usage are in many respects at risk of stagnating. This position is only made more challenging in the recent post-covid economic climate. In this context, a step change is required that can only be achieved by developing a new source of long-term infrastructure support in addition to existing funding.

14. In this challenging context, London and many other cities have recognised that the only means of achieving the very substantial levels of funding essential for this key step will require the detailed consideration of some form of Road User Payment (RUP) scheme or demand management system. Although, this report is not specifying one form or other this type of scheme includes Road User Charging, Congestion Zones, Clean Air Zones and Workplace parking levies, to name a few. But all are similar in seeking some road users – although many local users may be exempt or heavily discounted - to pay for access and use of the city network. Alongside this would be the commitment to minimise the charging impacts on residents, the most economically disadvantaged and regular users in the city and region. Regarding exemptions for example, residents in London qualify for a 90% discount on the Congestion Charge if they live within the charging zone.
15. Without this step, it is clear that the key Transport and Climate Emergency priorities will not be fulfilled. However, if successful in the implementation – with clear commitment to the ringfencing all of the net income against transport and highway priorities - then the opportunity exists to transform not just the Cardiff Transport system but also in a substantial manner address poor levels of air quality, combat climate change, improve people’s health and well-being, reduce congestion and improve economic prospects and productivity.
16. Overall, the aim would be that on the successful establishment of this long-term funding stream the commitment would be for Cardiff to deliver one of the most sustainable, cost-effective, convenient public transport and active travel systems outside of London, with transport enhancements committed to be delivered alongside implementation of any Road User Payment scheme. This would also have wider benefits for general traffic users by significantly reducing congestion and potentially delivering new strategic highway enhancements in the longer term such as the Eastern Bay Corridor Link.

#### UK Government Policy Framework

17. The need for investment in transport and the appropriate mechanism to fund it has been a long-standing policy consideration nationally and in the wider UK context. This was highlighted in ‘The Future of Transport: A Network for 2030’ published in 2004 by the Department for Transport. It was expected that national road charging may be feasible from 2014 that “could cut congestion dramatically, while reducing carbon emissions” and be designed to allow for variations in larger urban areas through working with Local Authorities.

18. The Eddington Transport Study in 2006 advised the UK Government on making the transport more efficient through road pricing, reducing the need to build road infrastructure with significant environmental benefits. The report also advised that distributional effects needed to be considered, with some commuters being worse-off unless they can be flexible with travel times or good alternative travel options are available.
19. In November 2020, the UK Government announced plans to accelerate a greener transport future to 'net-zero' through a 2-step phase-out of petrol and diesel cars:
  - Step 1 will see the phase-out date for the sale of new petrol and diesel cars and vans brought forward to 2030.
  - Step 2 will see all new cars and vans be fully zero emission at the tailpipe from 2035.
20. The subsequent document 'Decarbonising transport: a better, greener Britain' published by the UK Government in July 2021 was followed by 'Net-Zero Strategy: Build Back Greener' published in October 2021. The strategy sets out policies and proposals for decarbonising all sectors of the UK economy to meet our net zero target by 2050. It recognises the need to, "ensure that the taxation of motoring keeps pace with the change to electric vehicles to ensure that we can continue to fund the first-class public services and infrastructure that people and families across the UK expect." The Office of Budget Responsibility forecasts that receipts from fuel duties are, "...expected to continue on a downward trajectory [as a percentage of GDP], partly reflecting the move from petrol and diesel engine vehicles to battery powered electric vehicles (EVs)." It also identifies that additional targeted action may be required to, "reduce use of the most polluting cars and tackle urban congestion."

#### Welsh Government Policy Framework

21. Overall, Welsh Government has provided a highly positive approach to the assessment of road user payment schemes. It has recognised the strong relationship between an effective response to the climate emergency, public health and developing an efficient active travel and transport system.
22. In policy terms, The Welsh Government published the "*Independent review of road user charging in Wales*" by Derek Turner in November 2020. It concluded, there is a pressing need for a "National Policy Framework for RUC [Road User Charging] in Wales" to be developed and introduced as soon as possible. It also explains that such schemes, "...can be an excellent tool to help the Welsh Government and Welsh Local Authorities deliver a more equitable, efficient and sustainable transport system directly for all road users and for others across the wider transport system. Furthermore, in the spirit of the Well-being of Future Generations Act, it can help Government achieve wider economic, societal, cultural and environmental priorities such as

improving air quality, sustainability and benefiting ‘placemaking’ and health.”

23. The First Minister established the Southeast Wales Transport Commission (SEWTC) in 2019 to investigate sustainable ways to tackle congestion on the M4 in Southeast Wales and make recommendations to the Welsh Government on a suite of alternative solutions in the light of the First Minister’s statement of 4 June 2019 that the ‘Black Route’ proposal should not proceed. The Welsh Government published the ‘Southeast Wales Transport Commission: final recommendations’ in November 2020. It recommended support for Local Authorities taking earlier steps to implement local charging schemes to address congestion, improve environmental outcomes or raise revenue to invest in public transport schemes. It also recommended that:
- Travel alternatives must exist before local charges can be considered, *“For ongoing public support, experience from other countries demonstrates the importance of linking any charges to wider transport improvements.”*
  - There is an overarching policy framework, *“...strongly agree with the conclusion of the Turner report, which states that any local or regional schemes in Wales need to be governed by an overarching set of principles to avoid unintended consequences or unfair outcomes in different parts of the country. This is particularly relevant if different schemes were to exist in Cardiff and Newport.”*
24. The SEWTC report also recommended that Local Authorities consider introducing a Workplace Parking Levy (WPL).
25. The Welsh Government response to the SEWTC report recommendations was published in January 2021. The Welsh Ministers accepted in principle all the SEWTC recommendations and included the following statements:
- “Following an independent review into Road User Charging in Wales our new Wales Transport Strategy, Llwybr Newydd, sets out that we will support a move from fuel duty to a more equitable approach to road charging that can assist with improving air quality and congestion in urban areas, whilst recognising that some people, including those in rural areas, depend on car use. Road charging is just one form of travel demand management, and we will develop an action plan including other measures such as digital strategies and land-use planning.”*
- And regarding WPL:*
- “This is a matter for local authorities who have the powers to put such measures in place if they wish as part of their strategies for managing congestion in our towns and cities.”*
26. The Welsh Government published Llwybr Newydd Wales Transport Strategy in May 2021. It includes the following priority:

*“Develop a framework for fair and equitable road-user charging in Wales and explore other disincentives to car use, taking into account equality issues including the needs of people in rural areas, people who share protected characteristics and people on low incomes.”*

And,

*“Deliver a strategy for fair road-user charging in Wales as part of a broader package of measures to improve travel choices.”*

27. Net Zero Wales was published in October 2021 setting the foundations to make Wales net zero by 2050. Transport makes up 15% of total carbon emissions in Wales (source: Welsh Government response to the Roads Review, Feb 2023). Net Zero Wales also aims to reduce the number of car miles travelled per person by 10% by 2030 and to increase the proportion of trips by sustainable travel mode (public transport and active travel) to 35% by 2025 and 39% by 2030.

28. The Welsh Government Roads Review was published in February 2023. It recommends:

*“To reduce congestion and the perceived need for new road infrastructure, Welsh Government and local authorities should work together to deliver ‘benefits-and-charges’ packages at a regional level. Charges would influence whether and when people travel, while providing a revenue stream to finance improvements in public transport, active travel infrastructure and digital accessibility.”*

29. The Welsh Government National Transport Delivery Plan published in February 2023 includes the action to “Develop a Strategy for fair road user charging”. The following key statements underlines the strength of policy support for the assessment of the introduction of RUC. In relation to key priorities for delivery, innovative approaches, motivation to make a shift away from private car use, air quality and social justice/equality are included in the plan:

*“Delivering against our targets requires a change in the way we travel. We need fewer cars on our roads, and more people using public transport, walking or cycling. An emerging area which has the potential to deliver modal shift, address carbon targets and support investment in sustainable transport is demand management schemes such as road user charging.*

*The devolution settlement surrounding the use of road user charging is complex. These powers reside within the Transport Act 2000, which covers the different powers that apply for different types of schemes. Local schemes could deliver against our target and provide funding for improvements in public transport and active travel as the local authority would receive the revenue. These potential future revenue streams must be used on local transport priorities and could contribute to the expenditure needed*

*to make transport infrastructure improvements or to provide cheaper fares.*

*We will explore a 'benefits and charges packages' approach to introducing any new schemes, looking at ways to improve services before charges or introduce lower fares when charging starts. We will support local authorities exploring options to borrow against the future demand management related revenue streams to deliver enhancement in public transport and active travel in advance of any local charging regime being introduced.*

*We will also motivate people away from private car use through demand management - the Wales Transport Strategy includes a commitment to develop a national road user charging framework. Further work will be undertaken to develop a fair and equitable road user charging framework, including how local authorities can borrow against these future revenue streams to fund transport improvements; and also consider other alternatives such as workplace car parking levies and road space reallocation.*

*In reviewing our legislative proposals, we will consider existing powers to introduce road user charging to ensure these can be fully deployed where there is a case to do so, such as where evidence shows a Clean Air Zone would be the most effective means of tackling air pollution problems.*

*Road user charging is often presented as inequitable. However, ONS data shows that the average Welsh household with a car has an income 69% above a similar household without a car, so charging that supports improving non-car modes is progressive and supports those on lower incomes."*

30. The Welsh Government is also in the process of considering the 'Introduction of the Environment (Air Quality and Soundscapes) (Wales) Bill' as announced on 20<sup>th</sup> March 2023. It will be a key step in bringing forward measures that will contribute to improvements in the quality of the air environment in Wales and reduce the impacts of air pollution on human health, biodiversity, the natural environment and our economy.

### **Cardiff Council Policy Framework**

31. Cabinet approved the Transport White Paper on 23<sup>rd</sup> January 2020.
32. The Transport White Paper aims to achieve a doubling of the numbers cycling and travelling by public transport and make 76% of all journeys by sustainable travel modes by 2030 from a 2018 base. The Transport White Paper includes the following consideration towards achieving these targets:  
"...as Cardiff Council's Cabinet, have become more and more convinced that to undertake the kind of radical change required

we will need to investigate a form of charging mechanism that could help deliver on the following:

1. improve air quality
2. tackle climate change
3. provide ring fenced funding to invest in much-needed public transport initiatives
4. reduce congestion

[Note: this list has been reordered for the purposes of reflecting the emphasis of this Cabinet report.]

As part of a robust decision-making process, we will consider a number of options...We estimate that transforming Cardiff's transport system will cost between £1-2billion...Paying for these schemes will require a shift in the way transport in Cardiff is funded. We propose to consider all possible delivery options and will work with Welsh Government to develop a comprehensive investment plan to bring forward this vision and make it a reality. As part of a robust decision-making process, we will consider a wide range of possible charging mechanisms which will include some form of Road User charging. Any revenues raised from such a scheme would be spent directly on public transport...Exemptions for emergency vehicles, motorcycles, registered blue badge holders' people with disabilities could form part of any scheme (see Note 11) ...We fully understand and want to make clear that several key public transport projects and initiatives would need to be in place before any charging mechanism could be introduced...

Note 11: any exemptions will have to be considered as part of the detailed assessments and business cases.”

33. The One Planet Strategy approved by Cabinet on 15<sup>th</sup> October 2020 includes key transport related actions and identifies a significant change in the level of investment is needed to address climate change, improve air quality and provide more sustainable travel options.
34. In March 2023 the Council approved the new Corporate Plan, 'Delivering a Stronger, Fairer, Greener Cardiff' which included the commitment, “Consider and review road user charging options to identify opportunities and benefits for Cardiff residents and deliver transport improvements.”

### **Schemes in the United Kingdom**

35. As mentioned above, many major UK cities are currently considering, or have already implemented, some form of city scale demand management system, including Congestion Zones, Clean Air Zones or Workplace Parking Levy. All of these approaches, although differing in detail in one form or another result in private car usage being charged to enable environmental or transport benefits. A common recognition is emerging among these urban centres that the step change in investment



to create a sustainable transport system requires a fundamentally new approach to long-term funding. A comparison of transport metrics for UK Core Cities is provided in **Appendix B** with Cardiff having the most ambitious mode shift targets which reflects the relative scale of the transport challenges compared in the rankings.

36. The following list are schemes in the UK that are being developed or have been implemented, along with their start date.

**Congestion charging:**

- London – February 2003

**Sustainable Travel Zone:**

- Cambridge – second stage consultation in 2022/23 with charges starting from 2025 and full implementation by 2027/28.

**Clean air zone:**

- Birmingham – June 2021
- Bristol – November 2022
- London Low Emission Zone (LEZ) – February 2008
- London Ultra Low Emission Zone (ULEZ) – April 2019
- Glasgow – for implementation from June 2023
- Newcastle – January 2023
- Sheffield – February 2023

**Workplace parking levy:**

- Nottingham - 2012
- Leicester – proposed scheme withdrawn in November 2022

37. In this context, Cardiff would be progressing a scheme that is being considered in other urban areas in the UK and indeed in a wider international context. Indeed, implementing demand management systems is becoming a common approach.

38. Further details of the schemes in the UK are provided in **Appendix A**.

39. Many of the schemes have identified that there may be varying degrees of disproportional impacts. For example, the Council wants to protect low-income drivers from the financial hardship that many be caused by a RUP scheme. The Council will seek views on what a fair and equitable payment might look like through engagement and consultation with key stakeholders and the general public. Similar concerns have been addressed through identifying appropriate exemptions, discounts and mitigations in other schemes. Exemptions can be arranged to be applied automatically through the Driver and Vehicle Licensing Agency (DVLA) whereas discounts and reimbursements would require a larger resource to administer which increases costs of any scheme depending on the level of complexity. Consideration will be given to the following that may be eligible for exemptions, discounts and/or reimbursements:

- Emergency vehicles.
- Military vehicles.

- Disabled tax class vehicles.
- Blue badge holders.
- Breakdown services.
- Dial-a-ride services.
- Certain local authority operational vehicles.
- Car club vehicles.
- People on low incomes.
- Residents.
- Registered bus services.
- Type of vehicle engine.
- Size of vehicle engine.
- Hackney Carriages (Taxis) and private hire vehicles.
- NHS patients clinically assessed as too ill, weak or disabled to travel to an appointment on public transport.
- NHS staff using a vehicle to carry certain items.
- NHS patients accessing Accident and Emergency services.
- NHS and other emergency services staff responding to an emergency when on call.
- Social care, community health workers and Care Quality Commission registered care home workers.
- Minibuses and LGVs used by charities and not-for-profit groups.

## Issues

### The Case for Change

40. The case for the introduction of a Road User Payment scheme is based on a careful analysis of the core challenges faced by Cardiff, its strategic transport and growth priorities and the most effective approach to address these. The central case for change, as highlighted, relates to the fundamental assessment that without identifying a new approach to major capital and revenue funding Cardiff, like all major UK cities, will be unable to meet its low carbon, air quality, transport, or indeed economic targets and ambitions. Funding in addition to existing sources is needed.
41. More specifically, without the introduction of some form of Road User Payment scheme the following untenable issues will emerge:
  - i. City-Wide Air Quality will remain at levels damaging to health
42. Air pollution affects us all and is associated with impacts on lung development in children, heart disease, stroke, cancer, exacerbation of asthma and increased mortality, among other health effects. In particular, people with chronic lung conditions are more likely to be susceptible to the effects of air pollution. As analysis from Public Health Wales demonstrates across Cardiff and Vale poor air quality accounts for an effect equivalent of more than 200 deaths per annum. It is estimated that on average life expectancy in the UK is reduced by 7-8 months due to air pollution. In towns and cities with air pollution levels higher than the

UK average, including Cardiff, this figure is likely to be higher. In addition:

- Wales has a higher prevalence of asthma than the European average, with 7% of adults in Cardiff diagnosed with asthma.
- More than 9,000 Cardiff residents are registered with chronic obstructive pulmonary disease (COPD).
- 6% of children aged 10-14 have asthma in Wales.

43. Much of this pollution can be attributed to vehicle emissions and usage of carbon-based fuels. Although, national emission projections suggests that emissions of NOx and PM2.5 pollutants will reduce (see **Table 1**), mainly as a result of increasing numbers of Electric Vehicles, these are only projections and therefore the real-world improvements in air quality may not reflect these projections if fleet transition is reduced. Non combustion sources of particulate matter (PM2.5/PM10) from wider vehicle road surface and tire wear can lead to poor air quality and EVs will therefore still contribute to these sources of pollution. Furthermore, the transition to EV across all vehicle types and sizes including HGVs may not be complete by 2030. In this context, it is critical to encourage viable alternatives to enable mode shift away from general traffic. However, this will only occur at sufficient levels where viable alternatives found in a good transport system is in place.

**Table 1: Projected improvements in pollutants for cars**

Year	NOx kt	PM2.5 kt
2021 (Base)	95	1.6
2025	74	0.92
2030	37	0.46
2040	9	0.22

Source: National Atmospheric Emissions Inventory NAEI, <https://naei.beis.gov.uk/data/>

44. The current cost of living crisis could have an impact on EV transition rates due to the cost of upgrading vehicles. The Council will also explore the balance between wanting very polluting vehicles to possibly pay more while ensuring that people on low incomes, who may drive older more polluting cars, are not unfairly penalised. This may include consideration of vehicle engine size.

ii. Street Environment Will Remain Car Dominated/Polluted

45. Irrespective of fuel type it has been documented how the mass use of private vehicles results in a street environment that is vehicle dominated, unsafe levels of air pollution and blighting in varying degrees to large areas of the cityscape, particularly those adjoining busy roads and junctions, and in city centre and inner urban areas i.e. large areas of the city. Currently it is expected that large numbers of people, with children and vulnerable family members, predominantly in the more deprived areas of the city, live in a substandard and life-limiting environment. The only means of tackling this poor-quality environment is to shift movement into buses, trains or active travel, all of which limit the number of vehicles on street. This position will only be addressed if these alternatives are

sufficiently cost effective and convenient to attract car and vehicle uses to switch mode.

46. Sedentary behaviour – sitting too much – has become a routine part of our modern lifestyles. However, alongside this comes a nearly doubled risk of type 2 diabetes, increased rates of overweight and obesity, increased rates of many cancers, and an increased chance of developing dementia. More than 600 people die in Cardiff each year from circulatory diseases including heart attacks and strokes. The levels of activity and obesity of residents in Cardiff in comparison with Wales are provided in **Table 2** which also demonstrates the importance of encouraging people to live more active lifestyles.

**Table 2: Adult Lifestyles and Cardiff and Wales 2016/17 to 2019/20**

Category	Cardiff	Wales
Active less than 30 minutes in week	31%	33%
Active 150 minutes in week	56%	53%
Overweight or obese (BMI 25+)	55%	60%
Obese (BMI 30+)	20%	23%

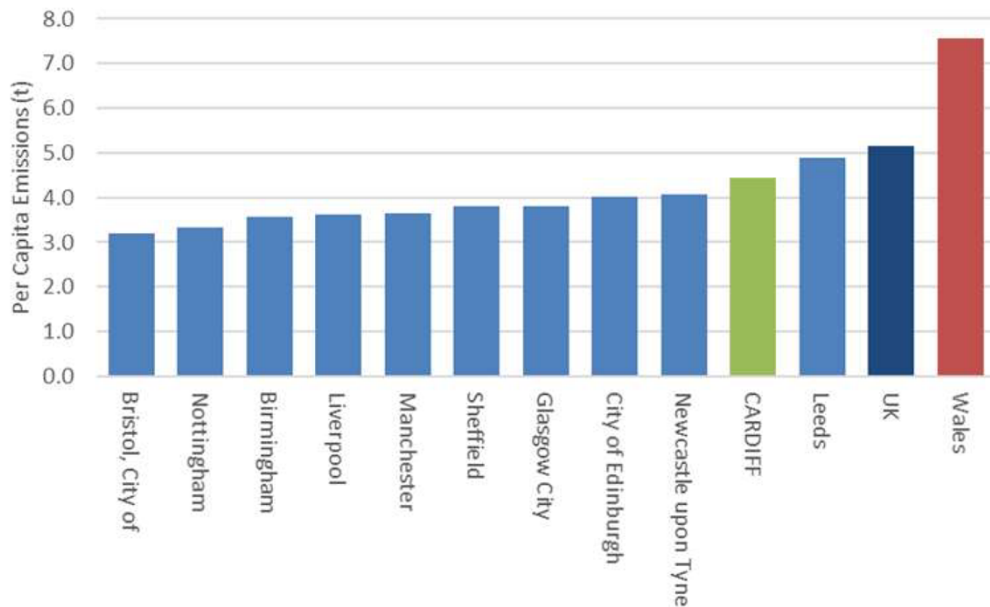
Source: StatsWales

47. Cycling in Cardiff is currently estimated to prevent 151 serious long term health conditions each year, including hip fractures, dementia and cases of depression, saving the NHS the equivalent of £1m per year locally, or 33,000 GP appointments (Source: Sustrans Walking and Cycling Index, 2022). People feel safest walking and cycling when they are not mixing on busy roads with cars, buses and lorries. High quality separate (segregated) walking and cycling routes have been shown around the world to make people more likely to get out and about and active as they get around. Two thirds of people living in Cardiff support more segregated cycle tracks along roads (Source: Sustrans Walking and Cycling Index, 2022), with a similar proportion saying fewer motor vehicles on their streets would help them walk and cycle more.

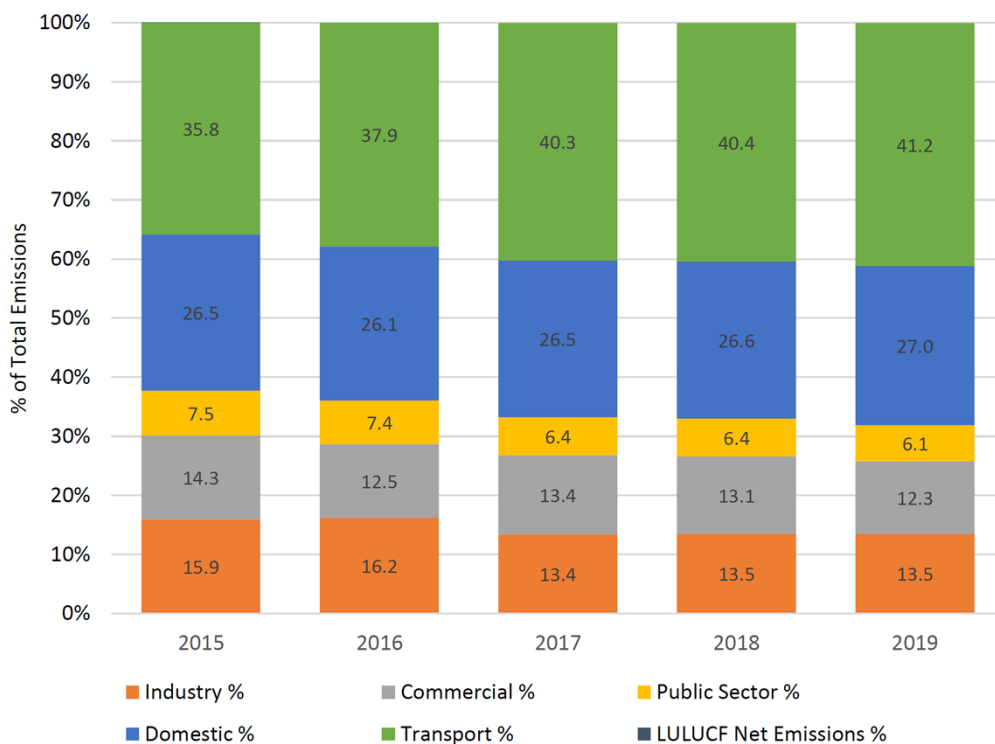
iii. Failure to Deliver Sustainability/Transport 10 yr Targets:

48. The Council has committed to deliver a Zero Carbon City and Council. Without introducing a step change in infrastructure investment current evidence suggests that this target will be unachievable and the City will not become carbon neutral without more control of vehicle emissions and providing convenient alternative transport options. This position is underlined by careful examination of the current progress to achieve public transport, bus, train ridership indicates which reveal, aside from in cycle activity, all the key targets will not be achieved (see **Table 3**). Cardiff has the second highest figure for CO<sub>2</sub>e (carbon dioxide equivalent) emissions per capita out of the UK's Core Cities (see **Figure 1**). Transport represents approximately 40% of the total carbon emissions for the City (see **Figure 2**). Current, mainstream funding currently provides only 10-15% approx. annual capital funding required to

create the level of transport infrastructure to achieve compliance. Additional funding over and above what is currently available is needed.



**Figure 1: Total Per Capita CO<sub>2</sub>e Emissions (kt CO<sub>2</sub>e), 2019.** Source: Department for Business, Energy & Industrial Strategy (BEIS) reported in the 2022 Cardiff Assessment of Local Well-being by the Cardiff Public Services Board.



**Figure 2: Cardiff CO<sub>2</sub>e Emissions by Main Emission Type (% of Total Emissions 2015-2019).** Source: Department for Business, Energy & Industrial Strategy (BEIS) reported in the 2022 Cardiff Assessment of Local Well-being by the Cardiff Public Services Board.

49. **Table 3** illustrates the limited gains in public transport usage in the period leading to 2019.

**Table 3: Percentage of Travel by Sustainable Modes in Cardiff**

Mode of Travel	2015	2016	2017	2018	2019	2030 Journey to Work Targets
Sustainable Modes	43.9%	44.9%	45.8%	48.1%	51.2%	75%
Walking	16.5%	16.7%	16.0%	15.9%	16.4%	17%
Cycling	9.2%	10.0%	11.4%	13.7%	15.4%	26%
Public Transport	16.7%	16.8%	16.9%	16.9%	18.1%	33%

iv. Cardiff Transport In The Long-Term Will Remain Fragmented, Inequitable, Ineffective And Costly:

50. The reason why current ridership on public transport and active travel is still relatively low relates to the quality, effectiveness, frequency and network integration – despite best efforts - of existing public transportation in Cardiff. These factors are a direct consequence of the long-term low levels of investment in capital and revenue available as a result of largely national UK policy decisions. The record shows that both Cardiff Council and Welsh Government have sought to proactively support public transport through the Bus Emergency Scheme (BES), £1 ticket fares, subsidised bus routes etc to the utmost that the current budget envelope will allow. In this context, it is challenging to identify the potential sources of additional funding that could be provided. In addition, these impacts will be particularly experienced by the most deprived areas within the city, which have low car ownership, but also are in central areas of high car through movements. This position is accelerated by lower bus usage that drives up ticket costs – potentially leading to a detrimental spiral of worsening services and increased costs impacting mostly on already challenged communities.

51. By considering Road User Payment scheme options the Council is taking a proactive and responsible approach to provide a cost-effective and reliable transport system for the city and region.

v. Congestion will Increase Further:

52. As a result of the current quality and effectiveness of public transport, and in the post covid environment, not only car use but also car ownership is increasing. This is clearly a retrograde step and shows that viable alternatives to car use are not currently in place.

53. The cost of congestion to the economy in Cardiff was estimated by INRIX to be £109 million in 2019. Whilst congestion has reduced since 2019 following the impacts of Covid-19 and external shocks to the economy resulting in significant changes in travel patterns, the following **Table 4** provides a comparison of updated measures that were reported in the

Transport White Paper. If this trend increases then not only will congestion become more common across the focal areas of the network but also, car usage will become more challenging and costly in terms of lost hours spent in queuing.

**Table 4: Comparison of Congestion Measures in Cardiff**

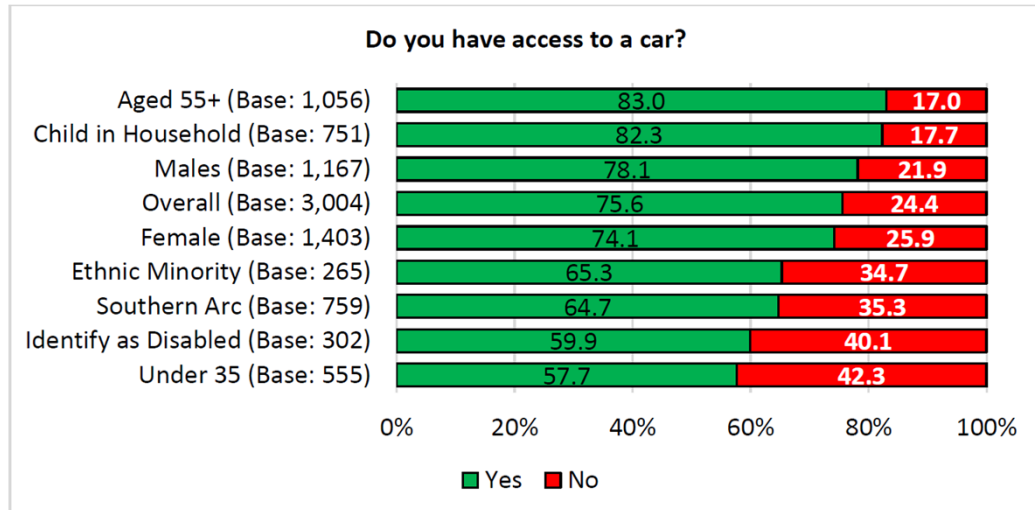
<b>Congestion Measure</b>	<b>2021/22 Update</b>	<b>2018 (Transport White Paper)</b>
Number of hours (full working days) drivers lose stuck in traffic during peak times.	61 (8 days)	143 (19 days)
Cost per driver of being stuck in traffic during peak times.	£540	£1,056
Average speed in the City Centre	13mph	9mph
Percentage of journey time spent in delay (additional time to a 30-minute journey).	33-39% 10 minutes	56-57% 17 minutes
How much longer journey times are during the day on average than during the off-peak when there is little or no congestion.	24%	28%

54. However, the following travel trends post-Covid highlight the targets are increasingly difficult to achieve without significant investment in transport infrastructure and services:

- Current daily traffic in Cardiff overall is back to pre-Covid (2019) levels (Source: UTC).
- Daily traffic in the City Centre specifically is also near pre-Covid levels (Source: UTC).
- The profile of traffic across the day during the peak and off-peak periods have returned to a similar pattern that was experienced prior to Covid (Source: UTC).
- This is in spite of commuting levels only being around 60% what they were pre-Covid as of October 2022 (Source: Google).
- As of 2023, traffic delays due to congestion are slightly increased (~ +5%) from pre-Covid levels (Source: Tom Tom).
- Both bus and rail service frequencies are at around 80% of pre-Covid levels.
- Rail patronage is currently at around 70% relative to pre-Covid levels (Source: TfW Rail), although is lower than it achieved in November 2022, due in part to on-going works and industrial action since this time.
- Bus use is currently estimated to be in the range of 70-80% of pre-Covid levels.
- Concessionary bus travel is lower at around only 60% of pre-Covid levels as of November 2022.

- Car ownership as a percentage of households in Cardiff has increased from 71% in 2011 to 74% in 2021 (Census).

55. The following graph demonstrates the reliance that many groups of the population in Cardiff have on alternatives to travelling by car (Source: Bus Strategy Consultation, February 2022).



vi. The Cardiff Economy Will Remain Constrained - With Reduced Productivity.

56. A further rationale for a step change in funding for transport infrastructure and services is the fundamental importance this has in underpinning long-term economic growth and prosperity. Increasingly it is recognised that transport accessibility, allowing people and businesses to engage, access labour markets, providing an increased range of employment options, enable the disadvantaged to work and the city trade to become more competitive is crucial to productivity of large urban areas and regions. Called ‘agglomeration benefits’, in short, this term refers to enabling cities to benefit from large work forces and markets. Many UK large cities have suffered from poor public transport networks. Currently only 5-6 UK cities have metro/tram systems – which are the bedrock of almost all successful public transport systems. German cities, by comparison have over 70 such systems. Although expensive to build tram systems offer sustained long-term economic and productivity benefits that significantly boost economic activity and the prosperity of households, individuals and businesses across the city. This benefit is effective in a way that car use cannot replicate because as car commuter use increases it soon results in unacceptable levels of congestion and degraded environment.

57. With improvements in air quality health outcomes for a wide diversity of residence should also improve. Workers on average should experience fewer days off work due to sickness thereby enhancing the productive capacity of employers within and outside of Cardiff.



58. By delivering a sustainable transport network, improving air quality and reducing carbon emissions, the city will position itself to attract new inward investment. This is particularly important for attracting investment in clean technology, green economy industries and higher-end professional services sectors that seek locations with strong credentials associated with sustainability and future economic resilience.

### **The Key Transport Delivery Commitments**

59. In line with the Cardiff 10-year Transport Strategy and One Planet Cardiff report, the core commitment of this report is ensuring the delivery of one of the best public transport and active travel networks in the UK. This is subject to a major new source of long-term funding being identified, publicly supported and implemented. The key commitments of proposals we will bring forward in partnership with the Welsh Government using grant funding supported with the additional ringfenced funding of the Road User Payment scheme includes:

1. A Metro city-wide tram system including Crossrail (in city area) & Circle line, new stations with a minimum of 4 tram/trains an hour.
2. A prioritized bus network across the city with reliable turn up and go services – targeting a 100% increase in bus ridership.
3. Support the development of wider regional commuter/shopper Metro and Bus network.
4. The completion of the Eastern Bay Link, which in conjunction with enhancement to city centre highway network may enable traffic to move around the wider city circumference.
5. Sustainable travel incentives - Travel discounts, tickets, bike purchase.
6. Delivery of an EV Bus and Taxi fleet.

60. These proposals when all fully developed would ensure that Cardiff meets its 10-year transport and Climate Emergency targets and delivers one of the most sustainable and user-friendly public transport/active travel networks in the UK.

61. However, it is recognised that it will be important to introduce transport benefits both ahead of and at the same time as implementing any new charging regime. The current programme suggests this could be by 2027 but the important point is that the implementation of these improvements would need to be ahead of and coincide with the start date for any charging regime. These improvements will demonstrate the immediate benefits of the scheme. They would include:

1. The introduction on key routes of £1 bus fares.
2. Enhancements to the bus network to provide better and expanded bus services.
3. The delivery of the Phase 1 tram from Central Station to Pierhead Station in the Bay, Coryton and City Line frequency enhancements.
4. Improvements to regional commuting infrastructure.

## The Objectives of the Scheme

62. It will be essential to clearly define the wider objectives whichever form of charging mechanism were to be adopted. As referenced, the intention of the Road User Payment scheme would be to support the primary objective of delivering an effective mass transport system for Cardiff that enables a city and region-wide shift to sustainable (low carbon), convenient and cost-effective transport. However, to achieve this end there are a range of wider objectives to consider. The following indicative objectives have been mapped against the Wellbeing Goals of the Wellbeing of Future Generations Act and will be used to help inform the stakeholder engagement and consider the need to address the transport problems and issues identified above:

**Health, Wellbeing, Climate Change and Air Quality Objective:** Reduce vehicle emissions to improve air quality (NO<sub>2</sub> & PM<sub>2.5</sub>) to address public health concerns, protect the environment, and address the climate emergency.

**Transport Access Objective:** Ensure fair access to transport services that encourage behaviour change required to achieve mode shift targets to walking, cycling and public transport.

**Sustainability and Fairness Objective:** Ensure value for money and a sustainable, equitable and deliverable solution that balances potential impacts across the city, the Cardiff City Region and elsewhere in Wales and the UK.

**Community Inclusiveness Objective:** Improve inclusiveness of participation to encourage cohesive communities and make streets safe and attractive for citizens, enhancing opportunities for place-making or urban domain improvements. This inclusiveness would also seek to ensure that access and charging are appropriately balanced within and across Cardiff as well as the Cardiff City Region.

**Transport Safety and Security Objective:** Improve safety and security for all modes of travel.

**Transport Economic Objective:** Boost the competitiveness, productivity, and employment growth in the Cardiff Capital Region by supporting businesses and community groups in the city and district centres.

**Transport Investment Objective:** Generate sufficient revenue to be ring-fenced for walking, cycling, highway and public transport investment, enabling modal shift.

This objective would ensure commitment to ring-fence the income to transport measures. Also, it would seek to ensure that the scheme generated sufficient funding, in addition to existing sources, to fund the identified projects.

63. Furthermore, the approach adopted will need to be practical, deliverable, cost-effective to implement and operate, and adopt an overall approach to charging that is publicly acceptable. We would also seek to implement a scheme that is based on UK good practice.
64. The shaping of the objectives will also be informed by research and engagement which will seek to understand the strategic context for people and communities who might be impacted by, or benefit from, the scheme options. This will include understanding the wider social, economic, environmental and cultural context such as socio-economic deprivation or health issues that shape people's lives in Cardiff.

### **The Types of Schemes**

65. There are a wide range of potential options for assessment against the objectives including:
  - 1) Cordon Based: Charge based on crossing a line.
  - 2) Whole City Area Based: Charge based on moving within the city.
  - 3) Single Road/Toll Roads and Toll Lanes: Charge for the use of a road.
  - 4) Distance Based Charging Schemes: Charge related to distance travelled.
  - 5) Truck' Charging: Charge related to specific types of vehicles.
  - 6) Workplace Parking Levies: Charge related to number of off-street non-residential parking places.
  - 7) Retail Park Levies: Charge related to 'shoppers' parking at retail parks.
  - 8) Low Emission Zone (LEZ): Charges linked to air pollutant levels rather than congestion.
66. The next stages of assessment will consider in detail the relative merits of these differing schemes in terms of technical, transport, community and wider strategic benefits.

### **The Approach to Public and Key Stakeholder Engagement**

67. The Council is committed to ensuring that the diverse voices of residents are at the heart of decision making, and that's why consultation and engagement will be central to any review of road user payment options. A comprehensive engagement programme will therefore be developed to engage with the city's diverse range of residents, as well as all key stakeholder groups. This will allow the public to express their views on the scheme and help identify any impact - positive or negative - on communities, business, the environment and the economy in Cardiff and the wider Region.

68. This will involve a robust programme of engagement - including resident panel focus groups - to help ensure a representative cross-section of the city's population is directly involved in the engagement work. As part of this approach, the Council will consider a wide range of socio-demographic characteristics- including gender, age, ethnicity, disability, and socio-economic status. Residents will be encouraged to learn about the problems and issues, identify opportunities and options, deliberate upon them and make recommendations. The work that emerges from this process will be used to ensure that the business case is fully informed by the voices of citizens. Key stakeholder and advisory panels will also be established that provide the opportunity for interactive dialogue and feedback as the assessment work is progressed. Crucially, the stakeholder engagement programme will help inform the development of the full project scope and will also support the identification of the potential mitigations necessary for residents, regular highway users, public benefit bodies and transport operators to ensure the scheme can be introduced in a way that manages any impacts.
69. Tailored research will be undertaken in support of the engagement and preparation of the business case. It will also guide the communications framework to ensure that information is meaningful, understandable and responsive to the issues as they are raised to account for perceptions, beliefs and reactions and learning from them.
70. The WelTAG Stage 1 study work will be informed by key stakeholder engagement including, but not limited to, the following:
- Local elected members.
  - Community Councils.
  - Cardiff Council Directorates.
  - Cardiff Capital Region and Local Authorities.
  - Welsh Local Government Association.
  - Welsh Government.
  - Burns Delivery Unit.
  - Transport for Wales.
  - Disabled access groups.
  - Active travel representatives.
  - Equality, Diversity and Inclusion Groups
  - Bus operators.
  - Professional transport industry institutions.
  - Road, rail, freight and logistics representatives.
  - Educational institutions.
  - Public Services.
  - Emergency services.
  - Tourism industry representatives.
  - Retail and business representatives.
  - Placemaking representatives.
  - Welsh Local Government Association; and
  - Office of the Future Generations Commissioner for Wales.
71. The Welsh Government WelTAG Guidance recommends the establishment of a Review Group depending on the type of project. The

purpose of the review group is to provide feedback and constructive challenge before progressing to a preferred scheme identifying key issues and risks and helping find solutions. They can also help the project team to develop the best possible business case. They are not there to make the final decision on the project. Review group members help the project manager to ensure that the right people are involved in the development of the project. The review group will involve people with expertise in key areas of well-being appraisal, including social, economic, environmental, place based and cultural impacts. The review group will also involve representatives of people likely to be most affected by the potential project. The group will also include representatives of major partner organisations or stakeholders. It will meet at key stages in the WelTAG process to make recommendations for example when selecting the short list to be assessed in WelTAG Stage 2 and recommending the preferred option in WelTAG Stage 3. In establishing the Review Group, the Council will seek representation from the following organisations and groups:

- Cardiff Council
- Welsh Government
- Burns Delivery Unit
- Transport for Wales
- Equality, Diversity and Inclusion
- Accessibility & Disabled
- Community & Third Sector Charities
- Education
- Active Travel
- Bus Operators
- Network Rail
- Business & Commercial
- Freight and Logistics
- Tourism
- Public Services
- Office of the Future Generations Commissioner

72. The Council will consult with the general public and undertake further stakeholder engagement as part of the WelTAG Stage 2 process to assist the Review Group in recommending a preferred option.
73. The preferred option recommended by the Review Group in WelTAG Stage 2 together with the relevant consultation responses and equality impact assessment will be considered by Cabinet for approval to proceed to preparation of the full business case in WelTAG Stage 3. Cabinet will consider the outcome of the WelTAG Stage 3 full business case in approving any Road User Payment scheme to implement.
74. The finding of the engagement process will be a central component of the business case.

## **Legal Powers**

75. Whilst the Transport Act 2000 provides powers to implement road user charging schemes, it is understood that secondary legislation under the Act would be required in Wales to provide the legal framework for implementing a road user charging style of scheme. It is also relevant to note that consultation requirements, the Public Sector Equality Duty, and the Future Generations and Wellbeing Act will apply to the decision-making process.
76. The term 'Road User Payment' used in this report includes any schemes that may be delivered through the legal framework of the Transport Act 2000 which refers to "Road User Charging and Workplace Parking Levy".

## **Next Steps**

77. The preparation of a business case is needed to work towards Cardiff Council and Welsh Government decisions on a potential future Road User Payment scheme. This business case will be informed by evidence, research and engagement using the Welsh Government WelTAG Guidance. The first steps involve engagement with key stakeholders to scope the transport related problems and issues, identify the strategic objectives that are most important to address them and develop a long list of options that will deliver the intended outcomes.
78. The WelTAG study work will include comprehensive public and key stakeholder engagement to build the business case for a Road User Payment scheme. It involves the following stages through to completion and post-scheme monitoring:

Stage 1, Outline Business Case: Identification of problems and issues, objectives and a wide range of options informed by stakeholder consultation that are assessed against the objectives and outcomes with a recommendation to proceed to the more detailed assessment of a shorter list of options in Stage 2 that will be considered by the Review Group.

Stage 2: Assessment of a short list of options informed by public consultation: The Stage 2 report will recommend a preferred option that will be recommended by the Review Group in accordance with the WelTAG Guidance (Note: the final decision on the preferred option will be considered by Cabinet). Cabinet will be informed by the stakeholder engagement, public consultation, equality impact assessment and recommendation of the study to select the preferred option to assess for the WelTAG Stage 3 Full Business Case.

Stage 3: Full business case of the preferred option selected by Cabinet including preliminary design, cost estimates, revenue forecasts, risks, mitigation and programme timescales. The report would recommend whether there is a case to proceed to implementation of a Road User Payment for approval by Cabinet, taking into account the consultation responses and the equality impact assessment.

Stage 4: Delivery of the Road User Payment scheme including detailed design, planning approvals (if required) and the finalisation of any orders that may require ministerial approval. The financing, legal agreements, management, notifications, infrastructure, enforcement and back-office arrangements would be progressed once any orders are confirmed, and any planning permissions needed granted. The process of requesting Ministerial approval may result in public inquiry which would delay confirmation of the orders significantly.

Stage 5: Post-delivery monitoring to report on the outcomes of the scheme and capture any lessons learned.

79. The process will involve independent review using specialist experts.

#### Draft Timeline

80. The following **Table 5** provides draft target dates for the study work, decision making and implementation of Road User Payment scheme subject to consultation, equality impact assessment, approvals, funding and procurement if the decision is to implement a charging scheme.

**Table 5: Draft Target Dates and Milestones**

<b>Draft Target Date</b>	<b>Milestone Description</b>
2023/24	Research, planning and public consultation
End of 2024	Cabinet Decision
End of 2025	Completion of detailed design including all associated planning, legal and financial requirements.
Early - 2026	Submit any draft orders requiring Ministerial Approval.
2027/28	Implementation subject to approvals.
2026/27 and onwards	Parallel implementation/construction of schemes that would be funded from the Road User Payment.

#### **Local Member consultation**

81. Local Member consultation will be undertaken as part of the WeITAG Stage 1 stakeholder engagement. Further consultation with local members will be undertaken to inform the WeITAG Stage 2 study work.

#### **Reason for Recommendations**

82. To seek Cabinet endorsement of the in-principal case for the introduction of a Road User Payment scheme subject to consultation and equality impact assessment of the proposals.
83. To seek Cabinet delegated approval to progress the WeITAG study work and associated consultation and engagement in the preparation of a

business case for a road user charging scheme so that it is progressed in an efficient and timely manner in accordance with Welsh Government guidance.

84. To seek Cabinet approval to undertake research and prepare a communication and public and key stakeholders' strategy to support the preparation of the business case for a road user charging scheme. Along with the consultation and engagement, this work will enable the development of the full scope of the project by directly listening to concerns, being responsive to the issues that are raised and making appropriate adjustments that account for them.
85. Progressing the business case for a Road User Payment scheme aimed at delivering key commitments in the Transport White Paper and One Planet Strategy.

### **Financial Implications**

86. This report recommends the preparation of and development of a business case and WelTAG studies on road user charging options. In principle revenue budget has been made available in the short term to deliver the business case, subject to leverage of available WG grant funding.
87. Any business case will need to clearly identify a robust basis of all related costs and income going forward and the likely financial return of any scheme proposed to be implemented.

### **Legal Implications (including Equality Impact Assessment where appropriate)**

88. Cabinet approved the Council's Transport White Paper in January 2020 this outlined the Council's vision for transport in the city to 2030. One of the proposals was to investigate charging schemes including road user charging also referred to within this report as road user payment.
89. The point regarding the terminology is raised because if the scheme is not referred to as road user charging as per the legislation a third party may claim that matters have not been clearly identified. This is an important point given that consultation is to be undertaken on the proposal and it must therefore be clear as to what the proposal is.
90. In considering this proposal the Council will exercise legislative powers under the Transport Act 2000 ("the 2000 Act"), in Wales, a charging scheme will not come into force unless the order making it has been submitted to and confirmed by the Welsh Ministers (and it may be confirmed with or without modifications). Other legislative powers may also need to be relied on to support such a scheme such as the Road Traffic Regulation Act 1984, the Traffic Management Act 2004 and the Highways Act 1980 amongst various other legal provisions and statutory guidance. Accordingly, further legal advice should be obtained as the proposal is developed.



91. When considering this matter as well as the specific legislation great care is going to be required on how the Council meets the wider public sector duties which are highlighted in the general legal advice below.
92. The report also notes that the proposals will be subject to consultation. Consultation gives rise to the legitimate expectation that the outcome of the consultation will be duly considered when subsequent decisions are made. Accordingly, in considering this matter due regard should be had to the consultation feedback received.
93. Whether or not consultation is a legal requirement, if it is embarked upon it must be carried out properly and conform to the established law on consultation. The general principles applicable to consultation by public bodies were outlined in the case of *R v North and East Devon Health Authority, ex parte Coughlan* [2001] QB 213 (at paragraph 108), as follows,
- 1) The proposals must be set out clearly and accompanied by enough information to enable those being consulted to engage in the process and give an informed view. Sufficient information to enable an intelligible response requires the consultee to know not just what the proposal is, but also the factors likely to be of substantial importance to the decision, or the basis upon which the decision is likely to be taken;
  - 2) The consultation should be undertaken when the proposals are in their formative stage;
  - 3) Sufficient time to respond to the consultation must be given; and
  - 4) The decision maker must approach the process with an open mind and be prepared to change course if necessary. This is not to say that the decision maker cannot have an opinion in advance of the decision and it is not to say that the decision maker must act in accordance with the responses to consultation. The decision maker must properly consider the relevant considerations and be prepared to change the pre-held opinion if necessary.
94. A further factor to consider, is whether or not the form of consultation is appropriate in all the circumstances. Who should be consulted and how?
95. This involves not only consideration of the factors outlined above, but also more practical considerations relating to the characteristics of those who are potentially affected by the decision. In view of this the Council should ensure that the consultation covers other Councils in the area and their residents who may well travel into Cardiff for work or education, and businesses who may not be located in Cardiff but may work in Cardiff.
96. It is further noted in the report that it is proposed to establish a Review Group in accordance with WelTAG guidance. It should be noted that any decisions must be made in accordance with the Council's constitution and that the review group will not in itself have any decision-making powers. It is understood that the report that the outcome of the consultation together with the preferred option to be progressed will be

referred to Cabinet in order for it to make the final decision on how to proceed.

## **General Legal Implications**

### **Equality and Socio-Economic Duty**

97. The decision about these recommendations has to be made in the context of the Council's public sector equality duties. The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief. If the recommendations in the report are accepted and when any alternative options are considered, the Council will have to consider further the equalities implications and a further Equality Impact Assessment ("EIA") may need to be completed.
98. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers (WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 (gov.wales) and must be able to demonstrate how it has discharged its duty.
99. An EIA aims to identify the equalities implications of the proposed decision, including inequalities arising from socio-economic disadvantage, consideration and due regard should be given to the outcomes of the EIA attached to this report so that the decision maker may understand the potential impacts of the proposals in terms of equality. This will assist the decision maker to ensure that it is making proportionate and rational decisions having due regard to the public sector equality duty.
100. Where a decision is likely to result in a detrimental impact on any group sharing a Protected Characteristic, consideration must be given to possible ways to mitigate the harm. If the harm cannot be avoided, the decision maker must balance the detrimental impact against the strength of the legitimate public need to pursue the recommended approach. The decision maker must be satisfied that having regard to all the relevant circumstances and the PSED, the proposals can be justified, and that all reasonable efforts have been made to mitigate the harm.

### **Well Being of Future Generations (Wales) Act 2015**

101. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
102. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan 2022-25. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
103. The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term.
  - Focus on prevention by understanding the root causes of problems.
  - Deliver an integrated approach to achieving the 7 national well-being goals.
  - Work in collaboration with others to find shared sustainable solutions.
  - Involve people from all sections of the community in the decisions which affect them.
104. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below:
- <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

#### General

105. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Guidance (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.
106. All decisions taken by or on behalf the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement

imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Council Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **HR Implications**

107. There are no HR implications arising directly from this report.

### **Property Implications**

108. There are no Property implications arising from this report.

## **RECOMMENDATIONS**

Cabinet is recommended to:

1. Approve the in-principal case for the introduction of a Road User Payment scheme subject to consultation, equality impact assessment and preparation of a robust business case.
2. Delegate authority to the Director of Planning, Transport and Environment to develop the business case and WelTAG studies for a Road User Payment scheme, subject to consultation with the Cabinet Member for Strategic Planning and Transport.
3. Delegate authority to the Director of Planning, Transport and Environment to establish a Review Group in WelTAG Stage 2 to recommend the preferred option to be taken forward to WelTAG Stage 3 preparation of the Final Business Case, subject to consultation with the Cabinet Member for Strategic Planning and Transport.
4. Note that the outcome of WelTAG Stage 2 Outline Business Case together with consultation responses and equality impact assessments will be presented to Cabinet for a decision on the preferred option to be taken forward for the WelTAG Stage 3 Full Business Case.
5. Note that the outcome of WelTAG Stage 3 Full Business Case will be presented to Cabinet for a final decision.
6. Approve the undertaking of consultation and engagement associated with each stage of preparing the WelTAG business case for a Road User Payment scheme.

7. Approve the undertaking of research and prepare a communication and public and key stakeholders strategy to support the preparation of the business case for a Road User Payment scheme.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Director Name</b>
	Date submitted to Cabinet office.

*The following appendices are attached:*

Appendix A: Summary of Road User Charging Schemes in the UK.

Appendix B: Comparison of UK Core Cities.

*The following background papers have been taken into account.*

- Transport White Paper Cabinet Report, 23 January 2020.
- One Planet Strategy Cabinet Report, 15 October 2020.
- Corporate Plan, 'Delivering a Stronger, Fairer, Greener Cardiff', March 2023.
- 'National Transport Delivery Plan', Welsh Government, February 2023.
- 'The Future of Road Investment in Wales', Advice from the independent Panel appointed by the Welsh Government, August 2022 – published February 2023.
- 'Llwybr Newydd Wales Transport Strategy', Welsh Government, 2021.
- 'Net-Zero Strategy: Build Back Greener' UK Government, October 2021.
- 'Net-Zero Wales', Welsh Government, October 2021.
- 'Decarbonising transport: a better, greener Britain', UK Government, July 2021.
- 'South East Wales Transport Commission: final recommendations', Welsh Government, November 2020.
- 'Independent review of road user charging in Wales', Derek Turner, November 2020.
- 'The Eddington Transport Study, The case for action: Sir Rod Eddington's advice to Government', December 2006.
- 'The Future of Transport: A Network for 2030', by the Department for Transport, 2004.
- Equality Impact Assessment.