Pecyn dogfennau cyhoeddus

Y Pwyllgor Menter a Busnes

Lleoliad:
Ystafell Bwyllgora 3 - y Senedd

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

Dyddiad:
Dydd Iau, 22 Mawrth 2012

Amser:
09:15

I gael rhagor o wybodaeth, cysylltwch â:

Siân Phipps
Clerc y Pwyllgor
029 2089 8582
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Agenda

Cyfarfod preifat cyn y prif gyfarfod (09.15 - 09.30)

1. Cyflwyniad, ymddiheuriadau a dirprwyon

2. Ymchwiliad i gysylltedd rhyngwladol drwy borthladdoedd a meysydd awyr Cymru - Sesiwn dystiolaeth (09.30 - 10.30) (Tudalennau 1 - 11)

Papur 1
Cruise Cymru
Brian King, Is-gadeirydd
Wyn Parry, Aelod

Papur 2
Irish Ferries
Paddy Walsh, Rheolwr Porthladdoedd y Deyrnas Unedig

3. Ymchwiliad i gysylltedd rhyngwladol drwy borthladdoedd a meysydd awyr Cymru - Sesiwn dystiolaeth (10.30 - 11.30) (Tudalennau 12 - 15)

Papur 3
Edwina Hart AC - Y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth
Carl Sargeant AC - Y Gweinidog Llywodraeth Leol a Chymunedau
Jeff Collins, Cyfarwyddwr Cyflawni, Busnes, Menter, Technoleg a Gwyddoniaeth

4. Ymchwiliad i gysylltedd rhyngwladol drwy borthladdoedd a meysydd awyr Cymru - Sesiwn dystiolaeth (11.30 - 12.15) (Tudalennau 16 - 29)

Papur 4
Rail Freight Group
Robin Smith, Cynrychiolydd Cymru

Papur 5
Road Haulage Association
Peter Cullum, Pennaeth Materion Rhyngwladol

Papur 6
Freight Transport Association
Christopher Snelling, Pennaeth y Polisi ar Gludo Nwyddau ar Reilffyrdd a'r Gadwyn Gyflenwi Fyd-eang

5. Papurau i'w nodi (Tudalennau 30 - 35)

Papur 7 - Nodyn gan y Grŵp Gorchwyl a Gorffen ar Gaffael ar 8 Chwefror

Paper 1

The Enterprise and Business Committee
Inquiry into International Connectivity through Welsh Ports and Airports.
March 2012

Submission from Cruise Wales

Background on Cruise Wales:

Cruise Wales was founded in 2003 and operated as an informal organisation of ports, destinations, cruise suppliers and Welsh Government until it formally constituted itself in 2009. The constitution lists the following aims and focus:

The aim of Cruise Wales is to sustainably increase the benefits of cruise business for Wales by increasing the number of passengers by 25% year on year between 2010 and 2014 up to 38,700 in 2014.

Also to develop the opportunities for Welsh companies to market their products and services to and in support of the Cruise Industry.

The focus of the Partnership is product development, customer servicing, marketing and partnership working.

Membership is open to:

- All ports in Wales licensed, or in the process of being licensed, for handling ocean-going cruise liners.
- All companies/organisations who market their products and services to the Cruise Industry in Wales.
- Where appropriate the public sector in Wales, supported by the Welsh Assembly Government.

Cruise Wales is funded by the 11 current members with Welsh Government through Visit Wales match funding the contribution of the other members.

It has undertaken marketing activity at the annual Cruise Shipping Conference in the United States and also at the annual Seatrade Europe Conference.

Cruise Wales is working closely with Irish Sea and British partners, the 'Celtic Wave' Interreg 4A project and Cruise Britain to develop sustainable, short-distance-between-port itineraries.

The result of all this combined work is that over the last few years Wales has successfully attracted vessels from most of the major American and European cruise companies and has overseen significant improvements in port facilities. In terms of day and turnaround calls, Cruise Wales is working closely with Irish Sea and British partners to develop sustainable, short-distance-between-port itineraries.

It is an objective of Cruise Wales to carry out sales mission to the cruise companies beginning later in 2012.

Welsh Cruise Opportunity:

Cruise tourism has been the highest growth tourism sector in the developed world for the last 40 years, growing at an average rate of 8% over the period. Its dynamic business model has enabled it to adjust quickly to shocks such as the 9/11 terrorism attacks and high fuel cost bubbles. It is currently working through issues related to the Costa Cruise disaster and the second incident. Currently the world cruise fleet comprises 335 vessels with 426,000 berth capacity. The outlook remains positive with a healthy 30 vessels on the order book and 86% of the world fleet less than halfway through the planned 40 year lifecycle for cruise ships.

The Irish Sea attracts cruise vessels on round UK, Atlantic Europe, and trans-Atlantic cruises. Ireland has worked very hard over two decades to build this business and Cork and Dublin both attract around 100 cruise vessel calls a year. Waterford and Belfast attract between 15-30 vessels each. All the Irish ports have invested significantly in port infrastructure to facilitate cruise calls, and Dublin is considering a new €30 million investment. Cruise Ireland, an organisation similar to Cruise Wales is funded by the Irish Government through Failte Ireland, their tourism agency and the individual ports.

Welsh ports, by comparison, have been building business slowly. 2011, which was the most successful year Wales has achieved, saw 23,000 passengers land with 28 calls (Newport 1, Cardiff 3, Milford Haven 7, Fishguard 3 and Holyhead 14).

The ports of Wales all have a different offer for cruise passengers, both in terms of the ambiance and attractions, and also in the vessels they can accommodate. Newport, Cardiff and Swansea are all urban destinations accessed through sea locks, which limit the size of the vessel they can accommodate. Milford Haven and Fishguard are rural 'tender' ports where larger vessels have to anchor off and passengers come ashore in the ships lifeboats. Holyhead has capacity to take all but the very largest vessels alongside on the Anglesey Aluminium Jetty, and provides easy access to all the sights and sounds of Snowdonia.

It is important to note that the cruise lines all cater to different markets with different vessels of different sizes so there is a significant potential market for each Welsh cruise port.

It is the view of Cruise Wales that cruise tourism could and should play a central role in regenerating and economically sustaining the cruise ports and their host communities in Wales, particularly Milford Haven, Swansea, Fishguard and Holyhead. Examples of places similar to Wales that have successfully developed excellent and sustaining cruise business that annually injects million of pounds into the local community are New Zealand, the Maritime Provinces of Canada and Scotland.

Main issues:

1. There is a central paradox about developing cruise tourism, in that it does not become a profit centre for the host port until between 25-30 calls are made each year. However every cruise call benefits the community because cruise passengers spend on local excursions, attractions, transportation, guides, food and retail, which averages between £30-£85 per passenger depending on the cruise line. Cruise companies do not sign contracts for committing to calls, so there is no incentive for ports to invest in cruise facilities which are necessary to achieve the calls, especially when the business is at the incubation stage.

2. Cruise companies are increasingly unwilling to call at tender ports. Therefore if cruise tourism is seen as a strategic priority for Wales, it is essential to get excellent alongside berths in place in the main cruise ports, especially at Holyhead and Milford Haven, which are the two ports without size restrictions. The size of cruise vessels has settled in recent years at around 100-120,000 tons, which means the jetties required would need to accommodate vessels of around 300 meters length and 10-12 meters depth.

3. Approximately half the passengers on a cruise will generally go off on a shore excursion and will see the sights and attractions within a 90 minute coach journey of the port. Therefore there are requirements for a good excursion offer, sufficient good quality coaches and trained multi-lingual guides. All the Welsh ports have much of this although the coaches and guide provision, especially multi-lingual guides, can always be improved. But this must be done in a responsible way that manages expectations and links supply and demand.

4. The other half of the passengers will leave the ship and explore the host port town. Therefore a pleasant urbanscape with good tourism amenities is also required. While work is underway in all the Welsh ports, it must be said that the experience in one or two is not all it should be, especially when compared with competing Irish Sea ports such as Cork and Waterford.

5. If cruise tourism is a national strategic initiative for Wales, a national action plan for capital and service investment should be in place, with targets and outputs, that are clearly owned. Currently the responsibility is split between the ports, Cruise Wales, the *Celtic Wave* Interreg 4a project, host destinations and Welsh Government, which often prevents a true coordinated approach.

Ms Sian Phipps
Clerk to the Enterprise and Business Committee
National Assembly for Wales
Cardiff
CF1 NA

15th March 2012.

Dear Ms Phipps,

Enterprise and Business Committee.
Inquiry into International Connectivity through Welsh Ports and Airports.

Thank you for your invitation to submit evidence and information to the Enterprise and Business committee.

Irish Ferries are members of the Welsh Ports Group and were consulted by and had input to, their recent submission to the Committee. We fully support the detail of that report. We have also had sight of the report submitted by our colleagues in Stena Line and we would be in agreement with many of the issues raised by Stena Line.

We thought it may be of assistance to provide the Committee with some additional information, to assist you in understanding the key issues facing a ferry operator in the Welsh Ports.

1. IRISH FERRIES – ROUTES, SHIPS AND SERVICES.

Irish Ferries are a ferry company, carrying passengers, cars and freight vehicles, between Ireland, Great Britain and France. Irish Ferries are a wholly owned subsidiary of the Irish Continental Group, who are quoted on the Irish and London Stock Exchanges.

Our current ships and routes are;

- **Holyhead to Dublin.** MV “Ulysses , which is 210 metres long and has a gross registered tonnage of 51,000 tonnes. This ship has the capacity to carry 1,900 passengers, 1,342 cars or 240 freight vehicles, per sailing.

- **Holyhead to Dublin.** MV “Jonathan Swift”, which is a fastcraft, 87 metres long, with a gross registered tonnage of 5,989 tonnes. This ship has the capacity to carry 745 passengers, 200 cars and up to 10 coaches, per sailing.

- **Pembroke To Rosslare.** MV “Isle of Inishmore”, which is 183 metres long with a gross registered tonnage of 34,000 tonnes. The ship has capacity for 1,260 passengers, 710 cars or 122 freight vehicles per sailing.

In 2011 we carried 1.3 million passengers, 297,000 cars and 188,000 freight vehicles on 4,000 sailings between Ireland and Wales.

We also operate a ferry service from Rosslare to Cherbourg and Roscoff.

2. IRISH FERRIES INVESTMENT IN SHIPS AND PORTS.

Since the mid 1990’s Irish Ferries have invested over €400 million in new ships and port facilities.

In Holyhead this port investment was a joint project with Stena Line Ports, the owners of the Port of Holyhead. Irish Ferries share of the initial development costs was over £20 million.

In Pembroke Dock, the investment was a joint project with the Milford Haven Port Authority, at a cost of over £11 million.

Both of these port developments were primarily privately funded, with very little grant aid being made available.

3. TRAFFIC FLOWS AND ROUTES- ISLAND OF IRELAND.

Here are the volumes of passengers and vehicles that currently move between the island of Ireland and the UK mainland, by sea. These are the 2011 totals.

Corridor	**Passengers**	**Cars**	**Freight Vehicles**
Northern	2,123,000	517,000	756,000
Central	2,109,000	481,000	727,000
Southern	784,000	225,000	95,000
RoI Irish SeaTotals	2,893,000	706,000	822,000
Island of Ireland Totals	5,016,000	1,223,000	1,578,000

The Northern Corridor Figures are the totals handled through the Ports of Belfast, Larne and Warrenpoint, from the Ports in Scotland and Northern England.

The Central Corridor Figures are the totals handled through the Ports of Dublin and Dunlaoghaire, from Northern England and Holyhead.

The Southern Corridor figures are the totals handled through the Port of Rosslare, from Pembroke and Fishguard.

From the totals shown above, the percentages carried to and from Northern Ireland and the Irish Republic, are;

Area	Passengers	Ceus	Fvs
Northern Ireland	42%	42%	48%
Irish Republic	58%	58%	52%

I have shown a list of the operators, their routes and the frequency of sailings, from the island of Ireland as appendix 1 of this report.

4. POPULATION SPREAD UK AND IRISH REPUBLIC.

The number of passengers and freight vehicles travelling through the Northern Irish Ports is disproportionate to the population of those areas.

E.g Scotland has a population of 5.2 million and Northern Ireland has 1.8 million , yet 2.1 million passengers travelled on these routes in 2011.
England and Wales have a population of 52.2 million and 3 million respectively, but only 2.8 million passengers travelled on the direct services routes to the Irish Republic in 2011. Therefore freight and passenger traffic, originating in or destined for, England, does travel through the Northern Irish Ports.

One other factor to consider is the geographical spread of the Irish population. Of the total population of 4.3 million in the Irish Republic 52% live within two hours drive of Belfast. Therefore it follows that a significant proportion of freight traffic in Ireland is collected and delivered in this general area, i.e from Dublin to the North and partly to the West, up to the Irish Land Boundary.

If you take into account traffic congestion problems in the City of Dublin and the general port area, it is clearly expedient and competitive to bring freight and passenger traffic, from the Irish Republic, to and from the Northern Irish ports.

The crossing times and frequency of services are other factors which encourage the use of the Northern Irish ports to access the Irish Republic. There are up to 80 sailings a day in and out of the island of Ireland on 12 routes, with 52.5% of the crossings in Northern Ireland.

Crossing times from the ports in Scotland can be as short as 1 hr 45 minutes. Some customers may prefer a longer road journey, followed by a shorter sea crossing.

4. KEY ISSUES FOR IRISH FERRIES SERVICES IN WALES.

A.Potential for Loss of Passenger and Freight Business from the Welsh Ports.
The figures shown in the previous section identify that there is a plethora of choices, for the private motorist and the freight customer.
There are traffics that are generic to certain routes, usually linked to geographic reasons, but both the freight and passenger markets are acutely price sensitive and often service driven.

The Risks.

Over-capacity and Reductions in Prices.
The Irish Sea Markets peaked in 2007 and have generally been in decline since then, although recent indications suggest that the freight markets have begun to stabilise whilst passenger markets remain weak. Currently there is far too much capacity, for both freight and passenger traffic and fuel costs are escalating for the ferry operators.
Irish Ferries saw an increase in fuel costs, from €41 million in 2010, to €52 million in 2011 and based on current fuel prices this could rise by a further €8 million in 2012.
A number of ferry operators apply fuel surcharges to their charges and are have varying degrees of success in this.
There is a risk that an operator who is feeling the effects of rising fuel costs and diminishing traffic levels, could drastically reduce prices, in order to try and remain competitive. Potentially this could pull traffic away from the Welsh Ports.
We are certainly seeing this on a smaller scale, with some sectors of the road haulage industry.

Impact of Regulatory Controls Inconsistently Imposed on Welsh Ports.
Ireland, the UK and the Channel Islands are part of the Common Travel Area (CTA).
This long standing agreement means that there are no passport controls in operation for Irish and UK citizens travelling between the two countries.
Therefore there is no legal requirement for an UK or Irish citizen to carry a passport on journeys between the two countries.
However the Irish and UK Governments co-operate by the exchange of information on the movement of passengers, who may present some security or immigration risk.
To assist in this, Irish Ferries and other ferry operators co-operate fully with the Authorities in providing certain information on the movement of passengers, generating some data automatically on the departure of each ship, and supplying additional information where required, subject to the provisions of the Data Protection Act.
UKBA officers are present at the Welsh Ports and carry out checks that are said to be risk based and intelligence led.
The recent announcement by the UK Home Secretary about changes to the existing agency of the UKBA and the concern over the relaxation of checks in other UK locations, could lead to a demand for 100% checks on passengers, even at CTA ports.

However as there are no checks whatsoever at the Irish land boundary, there is a serious risk that this could cause significant displacement of freight and passenger traffic to the ferry services from Northern Ireland. For example;

- This could cause significant delays in the processing of passenger traffic and driver accompanied freight traffic, encouraging both traffics to use the Land Boundary Routes.

- Impact on land use within the terminals, to the extent that the discharge or loading of the vessel may have to be delayed until space is created by traffic "cleared" by the Border Agency Controls.

- There is a very real risk that it will have a detrimental impact on vessel turnround times, to the extent where we cannot maintain our existing schedules, in turn reducing the number of sailings that we are able to achieve.

B. Road and Rail Infrastructure in Wales.

B1. Holyhead Road Access.
The dualling of the A55 across Anglesey is of major benefit to the Port of Holyhead and has significantly improved access. When this was in the process of completion, to connect the port to the A55, an issue arose over the ownership of the land immediately at the exit from the Port. The land was owned by part of the former British Rail Group and this was not resolved. Now, to exit the port, you must turn right at a set of lights and within 100 metres turn left at another set of lights, to join up with the A55.
At busy times, when ships are discharging, this causes a bottleneck effect, backing up into the port. The port owners are reviewing traffic flow options, from other parts of the port, in an effort to resolve this.
However, the recent stated intention by the Westminster Government, to make changes to the role of the UK "Immigration" Authorities may impact on traffic flows at the ports. Therefore until the outcome of these changes and its impact on Welsh Ports, is known, it does not make sense to implement any changes.

B2. Holyhead Rail Access.
For passengers, during the development of the port, the railway station was effectively linked to the port entrance, providing easy access. However, with the abolition of Duty Free for intra EU travel in 1999, and the continued growth in cheap air fares, the foot passenger market is in decline.

For freight traffic, there are no links or facilities for rail transfer. In the 1970's containerised railfreight, to Lift on/Lift Off Vessels, was a major feature of UK Road Haulage. However with the growth of Roll on/Roll off ferries, from the 1980's onwards, the Lo/Lo operations could not compete with the speed of Ro/Ro. Therefore, when the port was developed to provide the land for the new generation of ferries in the 1990's all available land was utilised for this.

Irish Ferries have taken part in a number of consultation exercises, to look at transferring Ro/Ro traffic to rail, the most notable of which was the "Piggyback Consortium" in the 1990's. However the punitive costs of upgrading the North Wales Rail Network, to reach the West Coast Mainline at Crewe, and the lukewarm reaction from the road haulage industry, all but eliminated this as an option.
Therefore it is unlikely that we will see a switch from road to rail, in the Welsh ports on the West Coast, unless there is significant investment in infrastructure.

B3. Pembroke Dock Road Access.
From the M4, the A48M and then the A40 dual carriageway leads to Carmarthen and on to St Clears.
From St Clears the single lane carriageway A477 takes vehicles on the remaining 23.5 miles to Pembroke Dock.
The A477 is in the process of being improved, however this is primarily to improve the road at accident "blackspots".
In terms of the business carried on the two "Southern Corridor" routes, Irish Ferries have the larger ship, so carry a greater percentage of the freight on this corridor.
The A477 also provides access to the Valero Oil Terminal, the new power station at Pembroke and links in to the A478, to the holiday resort of Tenby and its outlying attractions. Therefore consideration should be given to the dualling of the A477.

B4. Pembroke Dock Rail Access.
The position is much the same as reported in respect of Holyhead, but slightly worse, in the sense that the railway lines now terminate about 2 miles away from the Port.

C. IMO Resolution for the Reduction of Sulphur Content in Marine Fuel.
As part of MARPOL Annex VI, in April 2008, IMO agreed that the sulphur limit in marine fuel must be reduced to 0.1% by 2015 in Environmentally Controlled Areas.

These measures are designed to reduce the pollutant effects of Sulphur Dioxide, which include Acidification, local air quality and the emission of sulphate particles.
Irish Ferries conventional ships currently run on fuel with 1.5% sulphur content, in line with the current EU position. This grade of fuel is still classed as heavy fuel oil or residual fuel oil.

As the permissible sulphur content in fuel is reduced, there will be an issue for the shipping industry, to fund this significant increase in costs, for the higher grade of fuel. The alternative would be to install an approved exhaust gas cleaning system, commonly referred to as "scrubbers". However this technology is costly and not proven.

There will also be an issue for the oil refineries, not only to produce sufficient quantities of low sulphur content fuel, but also how they deal with the residual heavy fuel, which is produced as part of the refining process and will no longer be required by the shipping industry.

Currently, in European waters, the Sulphur Emission Control Areas (SECA's) are defined as the Baltic Sea, the North Sea and the English Channel. The volume of ships on the Irish Sea is considerably less than these areas, so at present there are no plans to nominate the Irish Sea as a Sulphur Emission Control Area.

However the European Parliament are currently discussing further amendments to 99/32/EC as amended by 05/33/EC and there is a risk that Irish Sea services could be affected.

The impact across the industry is likely to be a 70 to 80% increase in fuel costs at today's prices.

If this proposal was extended to the Irish Sea it would have serious consequences for Irish Ferries operating costs.

As stated earlier, in light of the content of the evidence that you have already received from the Welsh Ports Group and my colleagues in Stena Line, I have tried to provide you with a synopsis of the issues facing the ferry industry in Wales.

I trust that this report is of assistance to the Committee and I confirm my intention to attend the meeting in the Senedd on the 22nd March 2012.

Yours sincerely,

Mr Paddy Walsh
UK Ports Manager
Irish Ferries (UK) Limited

Appendix 1

Irish Sea Ferry Routes and Operators 2012

There are up to 80 sailings per day between Ireland and the UK mainland, with 52.5% of them operating via Northern Ireland. The number of sailings do vary, based on seasonal traffic flows.

Island of Ireland Port	Operator	British Mainland Port	Sailings Up to…..Daily
Larne	P&O	Cairnryan	14
	Seatruck	Heysham	4
Belfast	Stena	Cairnryan	12
		Heysham	4
		Liverpool	4
Warrenpoint	Seatruck	Heysham	4
			42
Dublin	Seatruck	Heysham	2
		Liverpool	4
	P&O	Liverpool	6
	Stena	Holyhead	8
	Irish Ferries	Holyhead	8
Dun Laoghaire	Stena	Holyhead	2
Rosslare	Stena	Fishguard	4
	Irish Ferries	Pembroke	4
			38

Tystiolaeth Llywodraeth Cymru ar gyfer Ymchwiliad y Pwyllgor Menter a Busnes ar Gysylltiadau Rhyngwladol drwy Borthladdoedd a Meysydd Awyr

Cyflwyniad

1. Papur tystiolaeth ar y cyd yw hwn gan y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth a'r Gweinidog Llywodraeth Leol a Chymunedau. Ei nod yw helpu'r Pwyllgor Menter a Busnes gyda'i ymchwiliad i Borthladdoedd a Meysydd Awyr yng Nghymru.

Pwysigrwydd Porthladdoedd a Meysydd Awyr Cymru

2. Mae Llywodraeth Cymru yn cydnabod pwysigrwydd porthladdoedd a meysydd awyr fel rhan hanfodol o seilwaith economaidd a thrafnidiaeth Cymru.

3. Mae porthladdoedd effeithlon, hawdd eu cyrraedd, sydd â'r seilwaith priodol i ddelio â llif nwyddau a gwasanaethau – o fewn y porthladd ac i drefi pwysig – yn rhan o economi gystadleuol sy'n gallu hybu twf busnesau Cymru, yn hen a newydd.

4. Mae meysydd awyr Cymru a Maes Awyr Caerdydd yn benodol, fel prif faes awyr Cymru a'r unig un sy'n hedfan awyrennau i wledydd tramor yn rheolaidd, yn borth gwych i Gymru o Brydain a gwledydd eraill. Maent hefyd yn helpu i greu delwedd gadarnhaol o Gymru fel cenedl allblyg, a chanddi rwydwaith cysylltiadau cryf.

Hwyluso Datblygiad Porthladdoedd a Meysydd Awyr Cymru

5. Llywodraeth y DU sy'n gyfrifol am bolisi porthladdoedd (ac eithrio porthladdoedd pysgota bach) a meysydd awyr, ond mae Gweinidogion Cymru, wrth arfer pwerau ym meysydd datblygu economaidd a thrafnidiaeth, yn cael digon o gyfle i ddylanwadu ar borthladdoedd a meysydd awyr.

6. Y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth a'r Gweinidog Llywodraeth Leol a Chymunedau sy'n rhannu cyfrifoldeb y portffolio. Mae hyn yn adlewyrchu pwysigrwydd datblygu porthladdoedd a meysydd awyr Cymru fel canolfannau economaidd a thrafnidiaeth a'r arfer ar hyn o bryd o gydweithio.

7. Gan mwyaf, busnesau masnachol preifat yw porthladdoedd a meysydd awyr. Mae Cymorth Gwladwriaethol a gweithdrefnau cystadleuaeth yn cyfyngu ar yr hyn y gall Llywodraeth Cymru ei wneud i'w helpu i ddatblygu a thyfu.

Perfformiad Maes Awyr Caerdydd

8. Yn ôl ystadegau diweddaraf yr Awdurdod Hedfan Sifil am feysydd awyr (ar gyfer 2011), Maes Awyr Caerdydd yw'r 20fed maes awyr yn y DU o ran nifer teithwyr. Mae llawer o bobl sy'n teithio ar awyren er mwyn dod i Dde Cymru neu fynd oddi yno yn defnyddio meysydd awyr Bryste, Birmingham neu Heathrow. Dywedant mai'r rheswm am hyn yw mwy o ddewis llwybrau teithio ac amseroedd gadael a chyrraedd, a phrisiau is. Mae'r un peth yn digwydd yng Ngogledd Cymru lle mae mor hawdd mynd i feysydd awyr Manceinion a Lerpwl.

Polisi Llywodraeth Cymru i Ddatblygu Cyfleoedd Economaidd

Porthladdoedd

9. Mae porthladdoedd yng Nghymru yn bwysig o ran datblygiad economaidd ac yn asedau y gellir eu datblygu er lles cyffredinol economi Cymru. Maent o bwys strategol ac yn arbennig o berthnasol i nifer o sectorau blaenoriaeth, sef Ynni a'r Amgylchedd a Thwristiaeth. Mae ganddynt hefyd rôl ehangach o ran cludo nwyddau.

<u>Y Sector Ynni a'r Amgylchedd</u>

10. I ryw raddau, mae porthladdoedd yng Nghymru yn cystadlu â phorthladdoedd ledled y DU. I sicrhau'r cyfleoedd newydd mwyaf posibl yn y farchnad ynni, mae angen dal ati i fuddsoddi ynddynt er mwyn iddynt barhau'n gystadleuol. Mae yna borthladdoedd dŵr dwfn ym Mhort Talbot a Chaergybi ac maent mewn sefyllfa ddelfrydol ar gyfer y farchnad ynni ar y môr. Bydd angen buddsoddi yn rhywfaint o seilwaith y porthladdoedd er mwyn gallu derbyn llongau mwy o faint a delio â chyfarpar ynni ar y môr. Mae cyfleoedd sylweddol yn y sector Ynni a'r Amgylchedd ac rydym yn ymchwilio i bosibiliadau cyllid er mwyn manteisio ar y rhain mewn perthynas â phorthladdoedd ac ynni. Rydym hefyd am werthuso'r budd a fyddai'n deillio o hyn i sicrhau bod manteision economaidd prosiectau ynni ar y môr, a phrosiectau morol a biomas yn dod i Gymru.

<u>Y Sector Twristiaeth</u>

11. Mae datblygiadau yn y farchnad mordeithiau yn creu cyfleoedd sylweddol i borthladdoedd yng Nghymru ddod yn bwysicach fyth i'w heconomi leol a chenedlaethol. Mae nifer o borthladdoedd Cymru, gan gynnwys Casnewydd, Caerdydd, Abertawe, Aberdaugleddau a Chaergybi, wedi llwyddo i ddenu cwmnïau mordeithio. Mae Llywodraeth Cymru yn gweithio gyda gweithredwyr porthladdoedd a chwmnïau mordeithio i'w gwneud yn haws i longau o'r fath ymweld â phorthladdoedd Cymru.

12. Mae gwasanaethau fferi hefyd yn bwysig. Yn ystod 2010, aethpwyd â 728,000 o gerbydau teithwyr i Weriniaeth Iwerddon ac yn ôl, cynnydd o 4 y cant o gymharu â 2009. Yn ystod 2010, teithiodd ychydig o dan 3 miliwn ar y môr i Weriniaeth Iwerddon ac yn ôl, 6 y cant yn fwy nag yn 2009. Mae angen seilwaith porthladdoedd modern ar fferis teithwyr modern a

chysylltiadau da o ran ffyrdd a rheilffyrdd fel bod teithwyr yn gallu parhau'n hwylus â'u taith.

Cludo Nwyddau

13. Yn ogystal â chludo teithwyr, mae rôl gan ein porthladdoedd o ran dosbarthu nwyddau. Yn 2010 aeth dros 60 miliwn o dunelli o nwyddau domestig a thramor drwy borthladdoedd yng Nghymru, 13 y cant yn fwy nag yn 2009. Gwelodd Aberdaugleddau gynnydd yn y tunelli nwyddau yn ystod y dirywiad a'r dirwasgiad economaidd yn 2007-2010. Ni welodd un porthladd arall yn y DU sy'n rhan o'r Rhwydwaith Trafnidiaeth Traws-Ewropeaidd arfaethedig gynnydd o ran tunelli nwyddau yn ystod y cyfnod hwn. Mae Llywodraeth Cymru yn hwyluso'r broses o symud nwyddau drwy borthladdoedd drwy fuddsoddi yn y rhwydwaith ffyrdd a rheilffyrdd.

Meysydd Awyr

14. Mae Maes Awyr Caerdydd yn unigryw ymhlith meysydd awyr Cymru oherwydd ei faint cymharol a'i bwysigrwydd fel unig faes awyr rhyngwladol Cymru. O holl feysydd awyr Cymru, Maes Awyr Caerdydd oedd wastad yn mynd i gael yr effaith fwyaf ar y sector awyrofod a'r economi ehangach yng Nghymru. Mae gwaith fel cynnal a chadw, atgyweirio ac ailwampio (MRO) awyrennau yn arwain at weithgareddau ymchwil a datblygu eraill. Mae'r clwstwr MRO cryf a'r canolfannau sgiliau yn ardal Sain Tathan a Maes Awyr Caerdydd yn allweddol o ran ei staws fel Ardal Fenter.

15. Mae Llywodraeth Cymru wedi ymchwilio i wahanol ffyrdd o ddenu gwasanaethau newydd i Faes Awyr Caerdydd ac wedi cymryd camau yn hyn o beth. Llwyddwyd i ddenu a chynnal rhai llwybrau newydd i Faes Awyr Caerdydd ac oddi yno ac mae'r gwaith marchnata hwn yn parhau.

17. Ymhlith y camau i wella'r cysylltiadau trafnidiaeth i Faes Awyr Caerdydd mae ariannu cyswllt bws uniongyrchol o'r maes awyr i ganol dinas Caerdydd, bws gwennol penodol o orsaf y Rhws i'r maes awyr, a rhoi arian i Fro Morgannwg i wella'r 'Lôn Pum Milltir'.

Trafod â Llywodraeth y DU

18. Mae Gweinidogion Cymru yn trafod yn rheolaidd â swyddogion sy'n gweithredu ar lefel y DU ar bolisi porthladdoedd a meysydd awyr, gan gynnwys, fel ag yn achos porthladdoedd ymddiriedolaeth, pwyso ar Ysgrifenyddion Gwladol dros Drafnidiaeth i ddatganoli pwerau.

19. Mae Llywodraeth Cymru mewn trafodaethau, o dan arweiniad yr Adran Drafnidiaeth, ynghylch fframwaith y Rhwydwaith Trafnidiaeth Traws-Ewropeaidd. Mae'r fframwaith hwn yn nodi llwybrau ffyrdd a rheilffyrdd, porthladdoedd a meysydd awyr sy'n arbennig o bwysig o ran cysylltiadau rhyngwladol. O dan y fframwaith presennol, cydnabyddir holl brif borthladdoedd a therfynbwyntiau fferis Cymru yn ogystal â Maes Awyr Caerdydd.

20. Ar ran Llywodraeth Cymru, mae'r Adran Drafnidiaeth wedi cyflwyno cais ysgrifenedig i'r Comisiwn ar i Aberdaugleddau gael ei gynnwys fel porthladd craidd. Mae Network Rail wrthi ar hyn o bryd yn ymchwilio i ymarferoldeb hyn, gwaith sydd wedi'i gomisiynu gan Gyngor Sir Penfro mewn partneriaeth ag Awdurdod Porthladd Aberdaugleddau, gyda'r bwriad o wella'n fwy byth y cysylltiadau rheilffyrdd i gludwyr nwyddau sy'n defnyddio'r porthladd.

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Rheolau a Chanllawiau Cymorth Gwladwriaethol Ewrop

21. Wrth wneud gwaith ar borthladdoedd a meysydd awyr, yn benodol o ran datablygu llwybrau a chymorth ariannol, mae'n rhaid i Lywodraeth aCymru gadw rheolau Cymorth Gwladwriaethol mewn cof. Diben y rhain yw hyrwyddo a gwarchod cystadleuaeth deg o fewn porthladdoedd a meysydd awyr Ewrop a rhyngddynt.

22. Mae rheolau Cymorth Gwladwriaethol yn cyfyngu'n sylweddol ar yr opsiynau sy'n agored i Lywodraeth Cymru o ran helpu porthladdoedd a Maes Awyr Caerdydd i gyflwyno / datblygu llwybrau newydd. Mae hyn yn golygu bod yn rhaid i Lywodraeth Cymru fod yn arloesol yn hyn o beth er mwyn cydymffurfio â'r rheolau.

Crynodeb

23. Mae porthladdoedd a meysydd awyr yng Nghymru yn wynebu heriau tebyg. Mae'n rhaid iddynt barhau i fod yn gystadleuol ar lefel y DU ac yn rhyngwladol; ac mae angen buddsoddi'n barhaus yn eu seilwaith er mwyn gallu gwneud hyn. Mae budd amlwg i Lywodraeth Cymru o gefnogi'r pyrth rhyngwladol hyn i Gymru gan eu bod yn creu manteision economaidd ehangach ac yn hyrwyddo lles Cymru. Mae Llywodraeth Cymru wedi ymrwymo i weithio gyda gweithredwyr porthladdoedd a meysydd awyr o fewn y canllawiau cyfreithiol a'r rheoliadau sy'n bodoli i sicrhau bod digon o arian yn cael ei fuddsoddi ynddynt fel y gallant barhau i fod yn gystadleuol a sicrhau cyfleoedd buddsoddi newydd. Bydd Gweinidogion Cymru hefyd yn mynd ati'n egnïol i bwyso am bwerau ychwanegol lle bo modd, fel y bydd ganddynt bob dyfais bosibl i weithredu dros Gymru.

National Assembly for Wales : Enterprise and Business Committee
Inquiry into international connectivity through Welsh ports and airports
Submission from the Rail Freight Group
February 2012

Introduction

1 Rail Freight Group (RFG) is pleased to submit this evidence to the Enterprise and Business Committee's inquiry into international connectivity through Welsh ports and airports.

2 RFG is the representative body for the UK rail freight industry. Our objective is to grow the volume of goods moved by rail freight in a cost effective way. We work to influence Governments and rail policies in support of rail freight and to help our members develop their rail freight services.

3 Rail freight operates wholly in the private sector and its customers' needs are often linked to global supply chains and distribution strategies which cross international boundaries. RFG has therefore concentrated this submission on those issues that impact on the movement of rail freight to and from Welsh ports and on those factors which affect RFG members' decision making. We have not commented on other areas being investigated by the inquiry which are outwith RFG's remit and scope.

General Policy Framework

4 RFG notes that, unlike most other aspects of transport policy, ports' policy for Wales is not devolved and remains the responsibility of the UK Department for Transport (DfT). Continuing close co-operation and co-ordination between DfT and the Welsh (WG) is therefore essential to ensure that the latter's policies regarding road and rail links between Welsh ports and their hinterlands and markets, including those in England, are complementary to UK Port Policy. This point is also made in paragraph 1.6 of DfT's "National Policy Statement for

Ports", published on 26 January.

5 RFG believes that a competitive, commercially led market place works most effectively for rail freight and therefore we do not favour models where Governments specify the precise framework for port development across the UK. Freight movements are unlikely to respond to regional and local development plans which are not based around national and international distribution patterns and on appropriate cost criteria. Companies will only switch ports where it fits, operationally and financially, with their logistics and distribution networks and plans.

6 RFG believes that Governments should, however, set consistent and clear incentives and frameworks to deliver outcomes which are deemed to be in the national interest such as are contained in the "National Policy Statement for Ports".

Demand Forecasting

7 DfT developed and maintain forecasts for port traffic in the UK, and the impact on inland distribution. Generally, these forecasts are based around the current situation, where the ports in the South East tend to dominate, with little consideration of scenarios where ports in other areas, such as Wales, increase in relative significance.

8 The forecasts for port traffic have underpinned in part the development of rail freight forecasts including RFG's own "Updated Rail Freight Demand Forecasts to 2030" published in October 2011 http://www.rfg.org.uk/userfiles/file/Rail%20Freight%20Demand%20Forecasts%20to%202030_ver2.pdf and widely accepted by DfT and the rail freight industry. These figures indicate an overall doubling of rail freight by 2030, with the growth concentrated in the intermodal sector including deep sea and short sea container flows to/from the ports as well as domestic flows.

9 While these forecasts assume the continued dominance of the South East ports, other ports are developing their capabilities – including

Bristol, Liverpool and Tees and such developments could generate a shift in distribution patterns to and around the UK. Developments at Bristol and Liverpool in particular could present a threat to existing and potential flows through Welsh ports but could also represent an opportunity if they succeed in attracting vessels towards the west coast of the UK. Should the schemes progress as planned, forecasts for inland distribution may therefore need to be adjusted.

10 Development of Welsh ports to handle new and additional traffic could also generate additional rail freight. Many of the Welsh ports, including some of smaller facilities, are already rail connected, improving opportunities for viable rail freight services.

11 The development of additional activities on the port estates can also increase demand for rail services. Changes in supply chain patterns, including the establishment of regional and national distribution centres at ports, ("Port-Centric Logistics") are already occurring elsewhere in the UK and could form the basis for developments at Welsh ports. In addition, the role of Welsh ports in relation to traffic flows between Ireland, the UK and the rest of Europe is an area to which rail freight could contribute significantly.

Rail Access to Ports

12 The Wales Route Utilisation Strategy published by Network Rail in 2008, shows that while the North and South Wales main lines, plus the Marches Route from Newport to Chester and Crewe are capable of handling traffic loaded to the maximum axle weight, all these routes plus the lines from South Wales through the Severn Tunnel and to the Midlands have a restricted 'loading gauge' that constrains rail movement of many of the larger containers now used in both deep-sea and short-sea shipping unless specialised wagons are used.

13 The Freight Route Utilisation Strategy published by Network Rail in 2007 indicated a long term aspiration to enhance the loading gauge capability of the lines from the Severn Tunnel and Gloucester to Cardiff to the "W10" dimensions required to allow 9ft 6ins high containers (increasingly used in both the deep-sea and short-sea shipping) to be

transported on normal wagons. Extension of this capability westwards to Port Talbot, Swansea or Milford Haven would become an aspiration in the event of a port development at any of these locations, as would provision of this capability along the North Wales main line if there were developments at Holyhead.

14 The subsequent development by DfT and Network Rail of the Strategic Freight Network, the latest additions to which were announced in the Chancellor's Autumn 2011 Financial Statement, does not include any developments of the Welsh rail network which will therefore continue to be constrained, particularly in terms of loading gauge.

15 Current plans for electrification of the Great Western Main Line as far as Cardiff could offer one significant benefit to rail freight but also represent a significant lost opportunity. There is a clear synergy between electrification and enhanced loading gauge dimensions as any structures that need to be rebuilt are reconstructed at the improved gauge, usually "W10". However, certain structures which would need to be modified for gauge enhancement may not need attention for electrification. As a result the industry is lobbying for gauge clearance to be undertaken in parallel with electrification and funded accordingly. Assuming this is the case, the current constraint on moving containers to/from the ports of Newport and Cardiff will be removed.

16 However, based on the present plans the "Relief Lines" between the Severn Tunnel and Cardiff will not be electrified as part of the scheme. This means that electric hauled freight trains will not be able to access the ports of Newport and Cardiff. Similarly, unless electrification is extended to Swansea there will be no possibility of electric hauled freight trains reaching the ports of Port Talbot and Swansea.

17 RFG is pressing Network Rail for electrification to cover the Relief Lines between the Severn Tunnel and Cardiff as well as west from Cardiff to Swansea. Such additional works are essential to unlock the potential of the South Wales ports and the support of Welsh Government (WG) for these extensions to the existing plans is vital. Even though rail freight

currently makes little use of electric traction, this will change as a wider electrified network is created on freight routes, providing the adjacent yards and facilities are also electrified and the power supply is sufficient for freight trains.

18 In a similar context, electrification of the North Wales Main Line, with consequent provision of W10 gauge capability through to Holyhead, would provide new opportunities for rail freight to and from the port, particularly for the movement of containers. The potential for viable freight flows along this line to be developed was illustrated in the March 2011 TAITH report of its North Wales Rail Freight Study.

19 In addition to securing improved capability for the rail lines serving the main ports in Wales, it is equally important that the capacity to handle the existing flows as well as growth in rail freight is protected when plans for upgrades of the track layouts or signalling, and for additional stations and/or passenger services are being developed. Again, WG have a significant role to play in ensuring this protection.

Funding of improved rail links to ports

20 DfT has long maintained its policy that, in general, the sponsor of a port development should also pay for any enhanced inland links required on the basis that they are the sole beneficiaries. While RFG agrees there is a role for developer contributions to local requirements, which can be closely linked to the specific growth arising from the development, it does question whether this principle should extend, for example, to the strategic trunk networks.

21 The costs of rail enhancement schemes are significant and, if the port developer is expected to fund in full the capacity it will use, it is likely that the level of costs could become a barrier to the port investment itself. Care must be taken to balance the expected contributions against the need for developments to proceed and, where such developments are expected to provide wider economic benefits to the region, we would expect this also to be taken into account. It is in this context that RFG again believes WG can play a significant role.

Role of the Welsh Government

22 A number of areas where WG can play a role in creating the right circumstances for port developments to proceed have been highlighted above. It is therefore unfortunate that the Wales National Transport Plan (NTP), particularly the prioritised version published in November 2011, lacks any strategy for freight movements either by rail or by road. Indeed, there is a danger that many of the proposals for rail passenger traffic in the NTP could have a detrimental effect on both existing and potential rail freight movements, including those arising as a result of developments at Welsh ports.

23 There is also a need for close alignment of WG and DfT policies. Which Government controls the funding is not necessarily that important, but it is vital strategies and decisions are aligned. Most rail freight flows in Wales, including those that may come from future port developments, are, and will continue to be, cross border with England. Investment decisions must therefore reflect this reality. It would not makes sense, for example, if Welsh ports could not be developed because DfT was unwilling to support any network upgrades required on the English side even though WAG would support the enhancements required up to the Border.

Conclusion

24 RFG believes the current rail network in Wales presents a barrier to the development of ports in Wales, and that investment will be required to allow rail to play a full role in serving any increase in traffic through those ports. In particular, significant investment in the provision of enhanced loading gauge capability will be required if the development of the ports is to be based around handling containerised traffics, although electrification in South Wales could present an opportunity in this context. However, it is essential that the costs of enhancing the rail network do not bear on the developers to such an extent that the expansion of the ports becomes unviable.

RHA

Nick Ramsey AM Esq
Chairman Enterprise and Business Committee
National Assembly for Wales 6 March 2012

SUBMISSION TO THE WELSH ASSEMBLY-WELSH PORTS AND AIRPORTS

Thank you for the opportunity to comment on the consultation concerning Welsh ports and airports.

The Road Haulage Association (RHA) is the trade and employer organisation for the hire-and-reward sector of the road haulage industry. The RHA represents some 7,500 companies throughout the UK, with around 100,000 HGVs. Company fleet sizes and driver numbers varying from one to thousands. Generally, RHA members are entrepreneurs and include many family-owned businesses as well as some (micro) SMEs. We believe that, without the activities of RHA members the UK would come to a halt both socially and economically, especially in peripheral and rural areas. Our members are involved with the Welsh ports in the Irish, steel and scrap metal trades and with airports in the high added value air freight, including parcels, trades. We also trade extensively in the agricultural sector.

We believe that discussing the questions that involve ports and airports require thought about what are Welsh unique selling points (USPs). Business and its enablers energy, communications and transport are part of a chain or collections of different chains. Business policy should lead to enabler policy, of which ports and airports are parts. There is little point developing enabler infrastructure, particularly new infrastructure, without justifiable business cases for the whole chain(s).

The Welsh Government should be able to develop economic opportunities, for example from tourism, international trade, freight and, in the case of ports, opportunities including the energy and renewable energy industries by improving access to anywhere that needs transport, particularly to serve local businesses and by removing artificial bans. But we should not forget that key sectors identified by the Welsh Government may not yield commercial returns. Identified key sectors may not in fact be key, especially if they are being supported for political rather than commercial reasons. In our view there is little point spending money on ports or airports without proper cost/benefit analysis of the outcomes, especially if the private sector is to be a major contributor. As mentioned before transport is an enabler. Key Welsh industry unique selling points (USPs) need to be established before embarking on what are invariably long term supporting infrastructure projects. The idea that "build infrastructure and the businesses will come" is no longer a given.

We see that to date Welsh transport infrastructure and interconnectivity in supporting the development of Welsh ports and airports have not had the anticipated success since, at least in the case of Cardiff, the airport is losing importance. North south links are needed but only if profitability can be demonstrated.

In the context of Cardiff airport air freight is a key value added commodity but we understand that 2/3 of all UK air freight is transported in the belly hold of passenger aircraft. Without adequate passenger traffic high value air freight, invariably associated with high tech industries, runs the risk of being shipped by surface to/from other airports.

Our industry is not convinced about the beneficial effects of EU State Aid regulations on the ability of the Welsh or any other government to provide effective outcomes. EU transport policy has a specific bias mainly aimed at rail freight in the core countries and short sea shipping. In the latter case operational long term sustainability has often been problematic. In any event we are not sure that such support would be of any use in Wales. Furthermore, award criteria vary and are often complicated and difficult to justify in the long term. We would warn against using state subsidies as a nurse maid. We see the effects of state aid elsewhere in the EU, and it is not always positive. The weakness is that EU aid is normally politically biased towards rail capital spending, after which operational costs are, in theory, funded from revenues. In many cases, especially on the periphery of the EU, capital spending has not been followed by positive operational gains and over time infrastructure has degraded. State aid to operational funding should be avoided since it can only be funded from the viable private sector, which in turn loses the ability to fully invest in its own success.

Finally, for the future, some colleagues believe that the Welsh Government might engage with the UK Government in the interests of Wales by operating on a more Scottish Executive business model to deliver genuinely local outcomes.

We would be happy to provide further detail if that is felt useful.

Peter J Cullum
Head of International Affairs

Paper 6

FREIGHT TRANSPORT ASSOCIATION

National Assembly for Wales
Enterprise and Business Committee

Inquiry into International Connectivity through Welsh Ports and Airports

Introduction

1. Freight Transport Association (FTA) would like to thank the Enterprise and Business Committee for the opportunity to participate in this Inquiry. Our response will concentrate on areas which have a direct impact on our members; specifically connectivity for business rather than passengers.

2. Freight Transport Association represents over 14,000 companies engaged in the transport of freight both domestically within the UK and internationally. Their interests range from those as operators, carriers, freight service providers, through to customers – suppliers of raw materials, retailers, manufacturers, and wholesalers, covering all modes of transport – road, rail, inland waterways, air and sea.

UK Ports

3. Unlike the rest of Europe the UK has a market-led ports sector. Owners include private operators, local authorities and trust ports. The UK ports operate without Government funding, unlike competitors on the continent. There are different kinds of services used by the freight operators:

- Ferry services – which concern trucks and drivers as well as other passengers
- Dedicated freight Roll-on Roll-off services – which typically send trucks and trailers unaccompanied.
- Container services – where the freight is loaded and shipped in standardised containers, this service dominated the deep sea service from the Far East.
- Bulk – for the shipment of products such as grains, oil and aggregates.

UK ports compete with each other for all these services as well as against competitors from the continent.

4. The current freight and logistics industry has changed significantly over the past ten years. This change has been driven by several factors, including:

- Globalisation;
- Internet and web enabled supply chain management tools;
- Bar coding, stock control and inventory management systems;
- Information communication technology applications;
- Consolidation;

- Retailer-led supply chain dominance in European market (i.e. From "push" to "pull" supply chain economics); and Service industry importance in economy.

5. Given the scale of the change, the assumption can be made that the rate of change in the freight and logistics industry in the next ten years will be at least equal, if not exceed, that of the last decade, albeit some of the major ports have shown a reduction in their throughput as a result of the recent down turn in the economy.

6. Total freight traffic through UK ports in 2010 was 511.9 million tonnes (Mt), a rise of 2% from 2009 however 11% lower than in 2000. It should be noted however, that since 2000 imports have increased by 10% however exports have been hit hard with a decrease of 24%. Table one highlight the top ten ports in the UK; which demonstrates the pre-eminence of Milford Haven as a port within Wales.

Tables 1 - Trends in traffic through the top 10 UK ports in 2010 in terms of tonnage

	Million tonnes 2010	**Percentage of 2010 Total**
Grimsby and Immingham	54.0	10.6
London	48.1	9.4
Milford Haven	**42.8**	**8.4**
Southampton	39.4	7.7
Tees and Hartlepool	35.7	7.0
Forth	34.3	6.7
Liverpool	30.0	5.9
Felixstowe	25.8	5.0
Dover	24.1	4.7
Medway	14.0	2.7
Other Major UK ports	150.3	29.4
Minor UK ports	13.4	2.6
All ports UK	511.9	100

Source – DfT Port Freight Statistics 2010

7. Wales plays a leading role for the whole UK in oil and energy sector traffic, as handled by Milford Haven. Welsh ports also provide ro-ro links with the Republic of Ireland, and dry and liquid bulk, forest products, iron and steel services and some container traffic.

UK Airports

8. Air freight services are a key ingredient in the UK economy. The availability of these services allows the UK to function as an international centre of business and high value manufacturing. Clearly the aviation industry itself contributes a lot through employment and regeneration. However, this is not why such services really matter to the UK. It is the wider

range of businesses that these services allow and encourage that are the real importance of the industry.

9. Business in sectors such as technology, financial services, pharmaceuticals or business services increasingly requires high speed delivery services to ensure they can respond to customers' needs. If these services are not available either in Wales or the wider UK they will relocate to countries where they are. Air transport is not used for most freight. Indeed, the volumes are actually very small. Air freight accounts for only 0.5 per cent of the UK's international goods movements by weight – sea freight (95 per cent) and the Channel Tunnel (4.5 per cent) account for the rest[1]. However, the importance of air freight is shown by the fact that when freight is measured by value, 25 per cent of the UK's international goods movements are made by air.

10. Heathrow is, and will continue to be, the UK's most important centre of air freight (1.4m tonnes pa). Indeed, Heathrow handles half as much again in freight as all the other UK airports put together. Its location, close to the major economic centre that is London and its connection to global passenger flight networks means that it is the only UK airport that can fulfil this role. This is no different for goods moving from Wales than it is for goods of English or Scottish origin. Heathrow is the most important export airport for Welsh goods.

11. Other major UK freight airports (carrying between 100 and 300 thousand tonnes pa) are Stansted and East Midlands, which give over a much higher part of their operations to freight services, and Manchester and Gatwick. No other airport carries more than 30,000 tonnes per year. Cardiff's share of the freight market has fluctuated substantially over the last 5 years with only 28 tonnes of freight carried in 2010 and 377 tonnes in 2011, down from 2,564 tonnes in 2005.[2] Therefore FTA believes the substantial majority of Welsh airfreight will continue to move through the English south-east airports and Manchester.

What role do the Welsh Government and local authorities play in facilitating the development of Welsh ports and airports?

12. Ports policy in Wales unlike Scotland and Northern Ireland is administered by Westminster albeit decisions regarding land side access to and from the ports are a matter for the Welsh Government. Therefore it is imperative that robust polices look at improving and making best use of existing infrastructure, whilst recognising that investment may also be required. The importance of Welsh ports on the Welsh economy should not be underestimated, ports provide direct employment opportunities, and benefit related businesses, including local sub-contractors and suppliers.

13. Ports themselves clearly offer huge benefits from employment to regeneration opportunities. It is crucial therefore to remember that the most important economic aspect of them is what they facilitate, namely the effective international trading of goods. The ability to export efficiently is a key component of a region being seen as an attractive place in which to base economic operations. Equally the ability to import to a region helps maintain and develop the standard of living available to the population.

14. The importance for other UK ports to the Welsh economy should not be neglected. To a large extent, Wales' deep-sea container ports are, and will continue to be, Southampton, Felixstowe and the London ports. Connections from these ports to Wales, via both sea and land should be a key aspect of Welsh policy.

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[1] DfT Statistics on Freight 2006
[2] CAA - Airport statistics 2011

15. Government cannot ignore the greater economic benefits from private port development. Whilst it is not for Government to decide where it wants the freight to flow and where it wants the private developments needed to support the transport of freight and goods, it is the proper role of Government to facilitate development. It is important therefore that government adopt a presumption in favour of development.

What factors have contributed to the decline in business through Cardiff Airport?

16. The tonnage of freight which is carried through Cardiff Airport is small; Table 2 provides an understanding of where Cardiff airport sits compared with a sample of other airports across the UK.

Table 2 - Freight 2005 -2011 (tonnes)[3]

Airport	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Cardiff	2,564	2,212	2,391	1,334	178	28	377
Heathrow	1305686	1,263,129	1,310,987	1,397,054	1,277,650	1,472,988	1,484,351
Stansted	237,045	224,312	203,747	197,738	182,810	202,238	202,593
East Midlands	266,569	272,303	274,753	261,507	255,121	273,669	254,595
Edinburgh	29,595	36,389	19,292	12,418	23,791	20,357	19,332
Glasgow	8,733	6,289	4,276	3,546	2,334	2,914	2,430
Belfast City (George Best)	827	1 057	168	138	155	457	195
Belfast INT'L	37,878	38,417	38,429	36,115	29,804	29,716	31,062

17. To fully understand the figures we need to understand what is being carried. The users of air freight services tend to be those with high value goods that need to be transported in small quantities (i.e. individual packages to meet customers' needs) or perishable goods, such as food or medicine that would not be able to survive the time taken for a sea freight voyage.

18. Around 70 per cent of air freight travels in the hold of passenger planes, so it travels at the same time as passenger flights do. The remainder is carried on specialist freight services, which includes express carriers. These often need to leave at specific times of day to make international connections – this is how the UK remains linked into global express service networks. Freight services are often pushed to more unsociable hours due to the demand for passenger flights at more traveller friendly times. Express services need to operate at such times to fit with customer need – e.g. end of business day collections, delivery by start of day.

19. As background, the main industry sectors using express operations (such as TNT) in the UK include: electronics and telecoms; vehicles and auto parts; engineering; information technology; pharmaceuticals, biotech and health; business services; and in fact Government. For these industries, air freight provides the level of flexibility, speed of delivery and security that are required for smaller, high value products. The users of larger scale air freight, where it is needed because of time constraints, are food manufacturers from areas such as Africa. Air freight enables them to trade with the UK, aiding economic growth in the developing world.

[3] CAA - Airport statistics 2011

20. It should be noted that currently (2011) almost all freight moving through Cardiff is on freight-only flights (366 out of 377 tonnes). It is this sector that accounts for the change between 2010 and 2011. Cardiff Airport's owners and TNT (the freight operator who previously operated out of Cardiff), will be best placed to explain the changes since 2007. However the period since then has seen global pressure on air freight volumes. As this is an expensive mode for moving goods it is highly susceptible to changes in the wider economy. Falling volumes may have relieved pressure at alternative airports, as well as reducing the total amount needing to move.

21. The bulk of Welsh airfreight then is likely to travel down the M4 motorway and leave or arrive via Heathrow. It may also be making use of major continental hubs such as Paris, Amsterdam and Frankfurt. Cardiff is not an obvious choice for airfreight customers given its limited (in global terms) economic catchment area combined with relatively easy access to the London airports. This reinforces the importance of the M4 as a strategic corridor for freight, and the importance to both the Westminster and the Welsh Governments of ensuring the efficiency of this vital trade route.

How effectively does Welsh Government policy, primarily in the areas of transport, economic development, and land use planning policy, support the development of Welsh ports and airports?

22. Ports on the whole are privately owned and as a result their development is a commercial decision based on location and the needs of the market. Current practice incorporates a lengthy planning approval system that discourages developments, with a new requirement on the promoters of particular port development proposals to pay for inland infrastructure developments, I.e. s106

23. As many of the ports are owned by foreign companies this could have a discouraging affect on future investment decisions as it places UK ports at a competitive disadvantage to Continental ports, which typically do not have to bear these infrastructure costs.

24. In England the DfT's guidance on 'Funding transport infrastructure for strategically significant developments' (published April 2009) set out a framework for determining the extent of public contributions to necessary infrastructure upgrades (i.e. road and rail links). But the key question that will determine the success or otherwise of this policy will be the extent to which the Government provide funds for such improvements.

25. It is important for the future development of Welsh ports and wider freight interests that the close working relationship developed with the Welsh Government through forums such as the Wales Freight Group are regenerated and maintained. Policy makers must be open to dialogue with freight generators to ensure that future decisions regarding ports and importantly, access are based on the needs of industry. Such an approach would establish a strategic freight policy that is based on the needs of the freight and industry, identified by industry, rather than the aspirations of politicians, civil servants and others that might seek to prejudice decisions on investments in strategic infrastructure.

26. The Wales Freight Strategy[4] contains ten clear recommendations aimed at future guidance for policy makers; these recognise the importance of ports to the Welsh economy. However it is important that the Welsh Assembly Government working closely with DfT make a clear commitment to ensuring funding to carry forward these recommendation which include road, rail routes and intermodal sites.

[4] One Wales – Connecting the Nation – The Wales Freight Strategy (May 2008)

27. Location of ports will have a direct bearing on the potential for growth; the southern ports in England traditionally serve as the main routes for container traffic links to Europe and the global shipping networks. The potential of Welsh ports is in opportunities to encourage ro-ro and feeder shipping services. These have been discussed at the Wales Freight Group and should be explored further.

How effective is Welsh transport infrastructure and interconnectivity in supporting the development of Welsh ports and airports?

28. Port and airports are the gateways into the hinterland; they provide a focus for business and ultimately the creation of jobs. Each component part has a role to play in ensuring that the productivity and job security is maintained and this of course includes Government. Planning processes which result in lengthy delay have shown that business is not likely to invest and that ease of development is likely to be a factor when considering inward investment in Wales. Government should look at and identify which parts of the planning process are barriers to economic renewal with the view of amending or removing this process.

29. Road remains the dominant method of carrying freight, many factors will need to be considered if this trend is to be reversed and more goods encouraged to use rail or shipping, therefore access to and from ports, and the infrastructure to accommodate additional freight/passenger movements is an important priority of any future policy.

30. For Wales to compete with the southern English ports changes need to be considered to accommodate containerised traffic, issues such as the Severn Tunnel and development of a W12 (or at least W10) gauge clearance should be considered. This allows compatibility with standard freight flows, allowing the line to work as part of rail's developing Strategic Freight Network.

31. The M4 and A55 are both designated as part of the Tens-T network and provide important access to markets in England, Ireland and Europe. They are also important for access to and from all of the main ports in Wales. It is therefore important that these routes are maintained to a high standard to accommodate the expeditious movement of freight traffic, which benefits the environment, and the economy.

32. In 2017 the Severn Bridge is due to come back into public ownership, with its users having paid just short of £1 billion. Government should not be encouraged to use these bridges as 'Cash Cows'. The rate of toll on these bridges impacts the freight sector directly and constitutes a direct tax on doing business for Welsh operators.

33. The Government should also review lorry parking facilities, particularly along these routes. Planning permission should be viewed with a presumption of acceptability rather than have developers plans refused by a local authorities planning/transport committee. Given the localism agenda safeguards should be put in place to ensure that projects which have a national or strategic outcome be considered using a separate set of guidelines rather than left to the political apparitions at a local level.

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Eitem 5

Grwp Gorchwyl a Gorffen ar Gaffael

Lleoliad:	**Committee Room 3 - Senedd**
Dyddiad:	**Dydd Mercher, 8 Chwefror 2012**
Amser:	**09:34 - 11:42**

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

Cofnodion Cryno:

Aelodau'r Cynulliad:	**Julie James (Cadeirydd)** **Byron Davies** **Eluned Parrott** **David Rees** **Leanne Wood**
Tystion:	**Yr Athro Kevin Morgan** **Rhodri Jones, Chair of WCFA** **Philip Avery, Operations Executive, National Federation of Builders Wales** **Pete Fahy, Head of Strategic Commissioning, Coventry City Council** **Ruth James, North Wales Construction Forum, Commercial Manager - Jones Bros Civil Engineering** **Wyn Pritchard, Cyfarwyddwr, Construction Skills Wales** **Clive Webb, South West Wales Construction Forum, Director - Boyes Rees** **Robert Williams, South East Wales Construction Forum, Managing Director - WRW Construction Ltd**
Staff y Pwyllgor:	**Lara Date (Clerc)** **Robin Wilkinson (Ymchwilydd)** **Gwyn Griffiths (Cynghorydd Cyfreithiol)**

1. Cyflwyniad, ymddiheuriadau a dirprwyon

2. Ymchwiliad i ddylanwadu ar y broses o foderneiddio polisi caffael Ewrop : sesiwn dystiolaeth

Croesawodd y Cadeirydd yr Athro Kevin Morgan.

Rhoddodd yr Athro Morgan drosolwg i'r grŵp o'i waith ar gaffael, a oedd yn canolbwyntio ar faes caffael bwyd.

Nododd fod y cyfarwyddebau newydd yn cefnogi tryloywder a symleiddio ac na ddylid eu gweld fel rhwystr, ond eu bod yn hytrach yn galluogi polisi cymdeithasol ac amgylcheddol i gael ei gyflwyno mewn prosesau caffael.

Mae'r DU yn genedl sy'n gyndyn o gymryd risg ac mae diwylliant o fod yn obsesiynol am werth am arian yn y Trysorlys. Mae'r Gyfarwyddeb Unioni Cam wedi dwysau'r diwylliant hwn drwy amryfusedd gan ei gwneud yn haws i gwmnïau aflwyddiannus herio penderfyniadau nad ydynt yn cytuno â hwy.

Cyfeiriwyd at y diffyg sgiliau yng Nghymru: mae'n fwy amlwg yng Nghymru - os ydych yn defnyddio 'meincnod McClelland' - sy'n argymell y dylid cael un unigolyn proffesiynol medrus ym maes caffael fesul £15 miliwn o wariant, ac felly dylid bod 174 o bobl broffesiynol â chymhwysedd y Sefydliad Siartredig Prynu a Chyflenwi yng Nghymru, ac ar hyn o bryd mae 106 ohonynt.

Nodwyd y cynnig i ddiddymu gwasanaethau Rhan B a chytunodd yr Athro Morgan fod hyn yn peri pryder. Y drafodaeth mewn cylchoedd caffael proffesiynol yw i ba raddau y mae cyfuno galw yn arwain at gyfuno cyflenwadau. Nododd fod gan y Comisiwn Ewropeaidd nifer o amcanion polisi nad ydynt yn gyson yn fewnol.

Cymharu sut y caiff rheolau caffael eu rhoi ar waith yn y gwahanol Aelod-wladwriaethau: yn yr Eidal mae ganddynt fwy o gymalau cymdeithasol ac amgylcheddol mewn contractau caffael bwyd. Yn sicr, mae'r diwylliant bwyd yn yr Eidal yn gryf, mae pobl yn bwyta'n dymhorol ac mae ffocws mawr ar raglenni addysgol i addysgu plant am fwyd. Ond mae'r system gaffael yn yr Eidal yn rhoi pwys mewn tendrau ar gydweithfeydd a bwyd organig. Mae rhagnodi bwyd lleol mewn contractau yn anghyfreithlon ond yn yr Eidal maent yn rhagnodi bwyd lleol ym mhob ffordd heb ei enwi, ee drwy ragnodi ansawdd bwyd, fel bwyd organig, enw tarddiad gwarchodedig, dynodiadau daearyddol gwarchodedig, cynnyrch nodweddiadol, pa mor ffres yw'r bwyd a'r amser y mae'n ei gymryd i'r bwyd gyrraedd y farchnad. Mae'r rhagnodiadau hyn yn atal cwmnïau tramor rhag tendro am gontractau. Mae'n enghraifft o gaffael creadigol sy'n cydfynd â'u gwerthoedd ac sy'n ceisio sicrhau 'gwerth am arian'. Mae hefyd yn dangos sut y gall y rheini sy'n caffael fod ag arferion hynod wahanol er eu bod yn gweithio o fewn yr un system gaffael Ewropeaidd.

Mae angen datblygu'r garfan o bobl sydd â chymhwysedd gan y Sefydliad Siartredig Prynu a Chyflenwi yn y sector cyhoeddus; mae angen i'r bobl a hyfforddwyd gan y Sefydliad fod yn fwy creadigol; ac mae angen rhannu arferion da yn well.

Nid yw arferion gorau yn teithio'n dda yng Nghymru - mae angen i Lywodraeth Cymru a Chymdeithas Llywodraeth Leol Cymru wneud mwy i hyrwyddo arferion da o ran caffael.

Cydweithredu rhwng cyrff cyhoeddus a rhannu arferion gorau: gall cydweithredu weithio dim ond os yw'r partneriaid yn mabwysiadu arferion da, ond nid yw rhai cyrff cyhoeddus wedi gweld buddion cydweithredu eto ac felly maent yn dechrau ymbellhau o'r dull hwn o weithio.

Nododd yr Athro Morgan mai'r ffordd ymlaen yw dysgu drwy wneud a rhannu arferion gorau. Mae nifer o reolwyr caffael yn gwybod bod angen iddynt gaffael mewn ffordd fwy cynaliadwy ond nid ydynt yn gwybod sut i wneud hynny. Y ddau rwystr mwyaf pwysig i ddefnyddio arferion da yw arweinyddiaeth wleidyddol a phroffesiynol mewn sefydliadau a chael gwared ar ddiffyg gwybodaeth unigolion medrus, sydd wedyn yn gallu defnyddio'u sgiliau mewn modd creadigol.

Rôl Addysg Uwch ac Addysg Bellach mewn caffael: mae angen canfod pobl broffesiynol da ym maes caffael a'u dwyn ynghyd mewn fforymau fel y gallant ddysgu oddi wrth ei gilydd.

Rhaid codi statws diwylliannol bobl broffesiynol ym maes caffael. Yn y sector preifat dros y 25 mlynedd diwethaf, mae caffael wedi newid o fod yn swyddogaeth ystafell gefn i fod yn swyddogaeth ystafelloedd bwrdd, ond nid yw hyn wedi digwydd yn y sector cyhoeddus. Mae'n syniad da dechrau gyda statws diwylliannol y rheolwyr caffael - drwy godi eu proffil a dangos y gall pobl wneud yn dda yn y sector cyhoeddus drwy ddechrau ar yrfa fel unigolion proffesiynol ym maes caffael.

Nododd yr Athro Morgan mai'r tri pheth pwysicaf o ran mynd i'r afael â'r diwylliant lle mae pobl yn gyndyn o gymryd risg yw arweinyddiaeth wleidyddol, mynd i'r afael â'r diffyg gwybodaeth o ran y ddarpariaeth o sgiliau yn y sector cyhoeddus, a chodi statws diwylliannol caffael.

* y Sefydliad Siartredig Prynu a Chyflenwi

3. Ymchwiliad i ddylanwadu ar y broses o foderneiddio polisi caffael Ewrop : sesiwn dystiolaeth

Croesawodd y Cadeirydd Rhodri Jones, Cadeirydd Cynghrair Ffederasiwn Adeiladu Cymru, Richard Jenkins, Cyfarwyddwr Ffederasiwn y Prifadeiladwyr Cymru, Philip Avery, Swyddog Gweithredol Gweithrediadau Ffederasiwn Cenedlaethol Adeiladwyr Cymru, Wyn Pritchard, Cyfarwyddwr Sgiliau Adeiladu Cymru, Ruth James, Fforwm Adeiladu Gogledd Cymru a Rheolwr Masnachol Jones Bros Civil Engineering, Clive Webb, Fforwm Adeiladu De-orllewin Cymru a Chyfarwyddwr Boyes Rees Architects, a Robert Williams, Fforwm Adeiladu De-ddwyrain Cymru a Rheolwr Gyfarwyddwr WRW Construction Cyf.

Nododd y tystion fod y broses gaffael yn peri problemau - yn yr adborth ar eu cyflwyniadau tendro, dywedir wrthynt fod yr awdurdodau'n gwybod eu bod yn gallu gwneud y gwaith mewn gwirionedd ond nad yw hynny wedi ei arddangos ar bapur. Dylid rhoi mwy o bwyslais ar brofiad gwaith a dangosyddion perfformiad allweddol yn hytrach nag ar y ffordd y mae ymgeiswyr yn llenwi'r ffurflenni.

Mae cwmnïau mwy o'r tu allan i Gymru yn ennill contractau oherwydd bod ganddynt bobl arbenigol i lenwi'r ffurflenni cais. Ni all y cwmnïau llai fforddio cost anferthol yr adnodd hwn.

Mae Llywodraeth Cymru yn gwneud gwaith da, gan gynnwys helpu cwmnïau i ddatblygu a chynnig profiad ymarferol a chymorth ar gyfer llenwi ceisiadau tendro a holiaduron cyn-gymhwyso.

Mae angen i bartneriaid cyhoeddus a phreifat gael dull mwy cyson o weithredu: yn yr ymatebion a gaiff cwmnïau, gall un cwmni fod yn ail ar restr dendro un awdurdod lleol a bod yn ddeunawfed ar un arall.

Mae nifer o gwmnïau mwy yn ceisio prynu eu ffordd i mewn i farchnad Cymru ond mae'r gwaith i gyd yn cael ei fwydo yn ôl i Lundain neu i fannau eraill. Mae ganddynt is-swyddfeydd yng Nghymru er mwyn ceisio ymsefydlu ond nid yw'r gwaith yn aros yng Nghymru.

Yr adborth y mae busnesau bach a chanolig yn ei gael ar ansawdd eu cyflwyniadau ysgrifenedig yw eu bod yn gwneud y gwaith ond bod y cwmnïau mwy yn ei wneud yn well. Mae llai o waith ar gael felly maent yn canfod bod cwmnïau mwy yn targedu contractau llai bellach.

Mae'r Gronfa Ddata Gwybodaeth am Gymwysterau Cyflenwyr yn canolbwyntio ar ddogfennau felly nid yw'n rhoi cyfle i gwmnïau arddangos yr hyn y gallant ei gynnig ac ansawdd eu gwaith, er enghraifft ni all penseiri arddangos eu gwaith mewn dull gweledol. Hefyd, nid yw'r system yn galluogi cwmnïau i gyflwyno'r data unwaith yn unig - mae'n rhaid ateb yr un cwestiynau bob tro. Mae angen i'r Gronfa Ddata Gwybodaeth am Gymwysterau Cyflenwyr gael 'dannedd', iddi gael ei chefnogi gan system TG, ac iddi fod yn system gyffredinol a ddefnyddir gan bawb. Dyma'r dull y mae'r Alban yn ceisio ei ddefnyddio.

Mae problem o ran sut y mae swyddogion caffael yn dehongli'r wybodaeth yn y system hefyd. Roedd dehongliad prynwyr o'r rheoliadau caffael yn canolbwyntio mwy ar agweddau gweinyddol ar dendro yn hytrach na'r gallu i gyflenwi'r cynnyrch neu'r gwasanaethau.

Contractau fframwaith a 'bwndelu':- roedd bwndelu contractau i lunio un prosiect mawr yn broblem fawr i fusnesau bach a chanolig sy'n ceisio cael mynediad at y farchnad. Oherwydd nad oes dim cwmnïau haen 1 yng Nghymru sy'n gwneud digon o elw, mae eu gallu i redeg y prosiectau hyn wedi'i leihau'n ddifrifol. Roedd diffyg capasiti mewn gweithrediadau caffael awdurdodau lleol wedi arwain at demtasiwn i gael cwmnïau mawr i reoli prosiectau fel y caiff y gwaith ei is-gontractio. Roedd tystiolaeth anecdotaidd bod achosion o ymosod ar isgontractwyr, lle rhoddwyd pwysau prisio eithafol ar isgontractwyr llai, gan leihau eu gallu i dyfu a datblygu. Yr unig ffordd i osgoi hyn yw drwy gynyddu adnoddau rheoli prosiectau ac arbenigedd awdurdodau lleol unigol neu drwy gael cyfleuster caffael rhanbarthol i ddod â'r adnoddau ar gyfer rheoli prosiectau ynghyd.

Rhoddwyd enghraifft o fframwaith priffyrdd yng Nghymru a oedd yn caniatáu i hyd at 18 o fusnesau bach a chanolig gymryd rhan, ond dim ond chwe busnes bach a chanolig a gafodd gyfle i gymryd rhan ar ôl y broses wobrwyo a hynny tuag at waelod y contract. Nid oes digon o ymwybyddiaeth o'r effaith ar yr economi leol o beidio â chefnogi mwy o gontractwyr drwy ddefnyddio'r dull fframwaith hwn.

Mae pryder bod cwmnïau o Gymru yn colli allan gan na allant gystadlu â'r cwmnïau mwy ac oherwydd eu bod yn cystadlu o dan amodau anghyfartal. Mynegwyd pryder yn benodol y gallai hyn waethygu yn sgîl creu un corff amgylcheddol yng Nghymru gan ddefnyddio cytundebau fframwaith nad oedd cwmnïau o Gymru yn rhan ohonynt. Mae angen canllawiau gan Lywodraeth Cymru ar oblygiadau'r ffaith bod awdurdodau cyhoeddus yn defnyddio fframweithiau yn Lloegr nad ydynt yn cynnwys cwmnïau o Gymru.

Mae angen cefnogaeth deddfwriaeth neu fandad cryfach ar Gwerth Cymru. Nodwyd bod penodiad 'tsar adeiladu' yn Lloegr wedi golygu bod arbenigedd yn cael ei gyfuno'n well a bod seilwaith gwell, o bosibl, i symud pethau yn eu blaen. Gallai Llywodraeth Cymru gael budd o gael 'tsar caffael' i roi trosolwg strategol ar gaffael.

Trafodwyd yr arfer o rannu arferion gorau a syniadau dros y ffin â Lloegr. Nodwyd hefyd bod cyfran llawer uwch o ddeunyddiau a llafur lleol yn cael eu defnyddio ar gyfer ynni gwynt yn Ffrainc (80%) nag yn y DU (20%) – roedd yn bwysig edrych i weld pam mae'r gwahaniaethau hynny'n bodoli a beth y gellir ei ddysgu o hynny. Ymddengys fod yr Alban ac Iwerddon yn cyflogi pobl a chwmnïau lleol i gyflawni contractau sector cyhoeddus, felly gofynnwyd pam na allai Cymru wneud hynny – dywedwyd wrth y sector gan Lywodraeth Cymru fod dull o'r fath yn atal cystadleuaeth. Nid yw awdurdodau lleol yng Nghymru'n dehongli'r rheolau mewn ffordd gyson ac mae angen cyngor, arweiniad a chefnogaeth gan Lywodraeth Cymru.

Buddion cymunedol:- Roedd Cymru yn eithaf lwcus oherwydd bod gan y diwydiant adeiladu y sylfaen cryfaf mewn perthynas â chynnig prentisiaethau o hyd. Ar hyn o bryd yn Lloegr a'r Alban, mae tua 50% o'r prentisiaethau a ddisodlwyd ym maes adeiladu. Dim ond 10% yw'r ffigur yng Nghymru.

Nid yw'n ddigon cynnwys cymalau i sicrhau buddion cymunedol mewn contractau – mae angen i hyn fod yn rhan o broses sgorio – nodwyd enghraifft o sefyllfa lle'r oedd y cymalau wedi'u cynnwys a bod cwmnïau wedi rhoi tystiolaeth ar eu cyfer mewn ceisiadau ond nad oedd yr awdurdod lleol wedi sgorio hynny cyn iddo ddyfarnu'r contract.

Ni ddylai fod buddion cymunedol yn ymwneud â phrynu crysau pêl-droed i blant ysgol – rhaid gadael etifeddiaeth hirdymor amlwg, ee cyfleoedd i gael gwaith. Mae angen cynnal asesiad strategol ehangach o effaith unrhyw brosiect penodol ar y gymuned – agwedd 'lles' ar ddyletswydd awdurdodau lleol.

4. Ymchwiliad i ddylanwadu ar y broses o foderneiddio polisi caffael Ewrop : sesiwn dystiolaeth (cynhadledd fideo)

Croesawodd y Cadeirydd Peter Fahy, Pennaeth Comisiynu Strategol Cyngor Dinas Coventry.

Disgrifiodd rheolwr gwasanaeth o Gyngor Dinas Coventry ddull newydd o gomisiynu yn uniongyrchol y gwasanaethau i'r digartref a ddarperir gan y sector gwirfoddol drwy drefniant consortiwm. Defnyddiwyd y dull hwn yng nghyd-destun cyfyngiadau cyllidebol ar awdurdodau lleol a darpariaethau Deddf Lleoliaeth 2011 i gynyddu'r ymgysylltiad â'r trydydd sector.

Mae'r sector gwirfoddol yn Coventry yn deall bod angen iddo newid i oroesi – sefydlwyd consortiwm o'r enw 'Here to Help' sy'n cynnwys 30 o sefydliadau gwirfoddol lleol ac sydd wedi'i gofrestru fel elusen. Y syniad yw y bydd sefydliadau'n cydweithio drwy'r consortiwm ac y bydd y cyngor yn gallu comisiynu gwasanaethau gan y consortiwm hwnnw gan ddefnyddio'r rheolau caffael, lle bo hynny'n briodol. Mae'r cabinet wedi cytuno i ddarparu gwasanaethau i'r digartref drwy'r consortiwm hwn drwy gytundeb grant am gyfnod prawf o 18 mis.

Mae'r cyngor yn deall y risgiau posibl sydd ynghlwm â'r broses hon ond mae'n gobeithio y bydd yr hyn y mae'n ei wneud yn dangos y gellir sicrhau enillion drwy gomisiynu uniongyrchol drwy gonsortia er mwyn osgoi costau dianghenraid a gwella canlyniadau. Mae sefydliadau'r sector gwirfoddol hefyd yn cael gafael ar gyllid i'r consortiwm o ffynonellau eraill fel y Gronfa Loteri Fawr.

Tua phum mlynedd yn ôl, daeth y grantiau i nifer o sefydliadau'r sector gwirfoddol i ben a dechreuwyd rhoi contractau iddynt gan ddefnyddio trefniadau COMPACT. Er bod hyn wedi creu eglurder ynghylch yr hyn y gellid ei gyflenwi a'r disgwyliadau, lleihawyd yr amser a'r hyblygrwydd yn y sector i ymateb i ofynion y gwasanaeth. Mae'r dull grant a gynigwyd drwy'r consortiwm yn sicrhau y gellir ymateb i'r anghenion hynny mewn ffordd fwy hyblyg o'i gymharu â gweithredu drwy ddefnyddio contractau. Mae'n rhaid i'r sefydliadau yn y consortia drefnu eu hunain mewn ffordd effeithlon i gyflenwi'r gwasanaethau sydd eu hangen ar y cyngor.

Roedd barn y gallai costau rhannu rheolaeth a chostau cyffredinol seilwaith y consortiwm roi cyfle i sefydliadau llai a chydfuddiannol ymsefydlu, yn hytrach na'u cau hwy allan.

O ran rheoli risg a mesurau lliniaru, cytunwyd ar femoranda cyd-ddealltwriaeth â'r sefydliadau ar y darpariaethau ynghylch peidio â gofyn am arolwg barnwrol - roedd y sector lleol yn deall y byddai rhai ar eu hennill a rhai ar eu colled o dan y trefniadau newydd, ond roeddent yn deall y broses y buont drwyddi a gwnaethant ymgysylltu â hi ac felly maent yn deall y risgiau. Deellir hefyd, os nad yw'r ffordd newydd o weithio yn sicrhau buddion, y gallai'r Cyngor ddychwelyd i ddefnyddio dulliau caffael traddodiadol ee tendro agored. Bydd hysbysiad tryloywder *ex-ante* gwirfoddol yn cael ei gyhoeddi yng Nghyfnodolyn Swyddogol yr UE i hysbysu'r farchnad bod y Cyngor yn bwriadu comisiynu gan un sefydliad. Bydd rheolaethau ariannol yn cael eu cynnwys gyda chyfrifyddu llyfr agored ac amodau ar gyfer cymryd arian yn ôl os na chyflenwir gwasanaethau mewn modd digonol neu os na chaiff yr arian ei wario. Mae'r Gyfarwyddeb Unioni Cam yn dod yn weithredol pan gaiff rheoliadau contract eu torri, tra bo'r consortiwm yn gweithredu o dan gytundeb grant.

Mae gan y dull hwn arweinyddiaeth strategol gref gan y Prif Weithredwr i lawr i'r Cyfarwyddwr Cyllid a'r Gwasanaethau Cyfreithiol, sy'n bwysig, a bu ymgysylltu gwleidyddol ar y lefel uchaf.

Roedd yn rhy gynnar i werthuso'r model cyflenwi, ond os gellir profi ei fod yn sicrhau arbedion effeithlonrwydd a buddion, gallai fod potensial i fabwysiadu dull tebyg ar gyfer gwasanaethau eraill, fel llety ar gyfer y rheini sy'n dioddef trais yn y cartref, gwasanaethau gwybodaeth a chynghori a chymorth ar dai, sy'n wasanaethau a gaiff eu darparu gan sefydliadau'r trydydd sector yn draddodiadol. Byddai hefyd yn ddiddorol gweld sut y gellir ei ddefnyddio ar gyfer mathau eraill o ddarpariaeth a gaiff eu caffael a'u cyflenwi drwy gyfuno'r sector gwirfoddol a busnesau preifat.