



Eich cyf/Your ref
Ein cyf/Our ref MA/MH/1283/26

Vernon Everitt
Chair, TfW
3 Llys Cadwyn
Pontypridd
CF37 4TH

6 August 2026

Dear Vernon,

Initial priorities for TfW 2026/2027

Following the recent Senedd election and the formation of a new Welsh Government, I am writing to set out my initial priorities for Transport for Wales (TfW) as it continues to deliver the vision for an integrated, multi-modal transport network that works for the people and communities of Wales.

This letter provides immediate direction on a small number of immediate priorities, while ensuring continuity for TfW's core operations, pending the joint development of a full term-of-government remit letter, which will set longer-term strategic priorities for TfW over this Senedd term.

As we begin this new government term, I want to recognise the excellent work undertaken by staff across TfW to serve people in Wales through delivering transport services. This government wants to make Wales a better-connected nation, and delivering real benefits for communities in Wales must remain at the heart of everything TfW does.

In setting these initial priorities, I want to emphasise:

- A collaborative and constructive relationship between Welsh Government, TfW, and local government partners—including Corporate Joint Committees and local authorities—working as one team to deliver shared priorities.
- A focus on delivery at pace, including applying a pragmatic and iterative approach where appropriate;
- The importance of transparency, measurable outcomes and clear reporting of management information on a timely basis to demonstrate progress.
- A disciplined approach to value for money and prioritisation, recognising the constrained fiscal environment and supporting an objective to reach agreement on a settled budget position for this term of Government.

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

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

Supporting Early Government Priorities

During this period, TfW shall support delivery of the Government's early priorities, including:

North–South Connectivity

Within the first 100 days of the new government, TfW should prepare to launch an express coach service linking the north and the south of Wales. In doing so, TfW should ensure this is a high-quality service, with a focus on reliability, punctuality and the overall passenger experience (including for disabled users).

Integration of the Transport System

TfW should progress full integration of our multi-modal transport system, delivering the vision of One Network, One Timetable, One Ticket. This should include:

- Taking advantage of the rollout of the Bus Services (Wales) Act to advance integration across rail, bus and active travel (walking, wheeling, and cycling).
- Supporting improvements to ticketing, fares and connectivity, including through the continued roll out of 'tap-on, tap-off technology).
- Delivering digital solutions to make integrated public transport easier to plan and use.
- Advising Welsh Government on options for fairer public transport fares.

Rail Funding and Devolution

TfW shall support the Welsh Government in beginning negotiations with the UK Government on a fairer share of UK rail funding and a pathway to full devolution. This should include:

- Supporting the work of the Wales Rail Board in overseeing delivery of rail enhancement schemes and developing a ready-to-go pipeline of future schemes consistent with the UK Government's commitment of a £14 billion investment in Wales.
- Supporting Welsh Government in engagement with the UK Government regarding the Railways Bill and developing a constructive relationship with Great British Railways.
- Supporting the Welsh Government in setting out the case for devolving rail in full.
- Providing advice and evidence to support long-term rail planning, including projections of customer demand, proposals for timetable changes, and a rolling stock strategic policy case which gives Ministers a range of options to meet future rolling stock needs.

Bus Reform and Franchising

TfW shall support Welsh Ministers in delivering on their responsibilities under the Bus Services (Wales) Act 2026 and broader initiatives to deliver effective reform of local bus services. TfW will undertake the procurement, mobilisation and management of franchised bus contracts on their behalf. TfW shall manage these contracts in accordance with the statutory framework, Ministerial policy and agreed governance arrangements, including supplier performance, contract compliance, risk management and value for money. It is not envisaged that personal data will be secured or retained under information and data provisions under the Act. However, on delivering these responsibilities, should information held by TfW trigger the obligations under the Data Protection Act 2018 and the UK General Data Protection Regulation, TfW will act as Data Controller.

TfW shall also support Welsh Government in the review and updating of the Management Framework to ensure that it accurately reflects the local bus service model (under the 2026 Act) and associated delegations, providing a clear and consistent basis for governance, accountability and decision-making between Welsh Ministers, TfW and all relevant stakeholders.

TfW shall set out assumptions and planning to support the projected capital budget (3 to 5 years) based on the expectations/requirements set out by WG/Ministers, which covers the franchise rollout and the early years of the contract term. This should encompass all aspects of the programme, including depots, fleet, digital products, supporting technology solutions and relevant bus interchanges.

Expert Advice and Project Management

TfW shall continue to provide professional, evidence-based advice and delivery support to Welsh Government, including the development of robust cases for investment across the transport network. This support shall be underpinned by strong analytical capability and industry expertise to inform effective decision-making. TfW shall ensure that the use of internal and external resources is balanced to deliver value for money across all advisory and delivery activity. In doing so, TfW shall strengthen and retain its internal capability, knowledge and skills base to support long-term delivery.

Strategic Road Network

TfW shall support Welsh Government in developing options to improve the resilience of transport links across the Menai Strait and developing multi-modal solutions to address congestion on the M4 around Newport and the M48 corridor. This should include accelerating delivery of public transport alternatives to the M4 and related Burns stations, including Cardiff Parkway.

Wider Government Priorities

As a wholly owned Welsh Government company, TfW is expected to recognise transport as a vital public service that connects people, communities and opportunities across Wales, rather than solely as an economic enabler.

TfW should operate consistently with wider Welsh Government priorities and values, including those relating to the Welsh language, net zero, sustainable resource use, fair work

and ethical procurement, and demonstrate how these are embedded in delivery. A strong emphasis is also placed on cross-portfolio working, with TfW expected to collaborate across Welsh Government portfolios and with public bodies and partners to align activity, maximise the impact of investment and deliver enhanced outcomes for citizens.

TfW shall work with the Welsh Government to agree a clear set of measurable outcomes and progress milestones, enabling transparent assessment of delivery and the impact of transport initiatives on people's lives.

Delivery of the 2026/27 Business Plan

TfW shall continue to deliver its agreed 2026/27 Business Plan, alongside the Financial Plan for 2026/27. The Business Plan should remain the primary vehicle for delivery, with flexibility to be adapted as necessary to reflect evolving priorities and prevailing fiscal constraints.

Funding, Efficiency and Financial Discipline

TfW shall:

- Work to operate within its allocated funding envelope, while continuing to engage with Welsh Government on managing in-year and medium-term funding pressures and prioritisation choices, ensuring a strong focus on affordability and prioritisation.
- Provide accurate and timely management data to underpin proposals for the Welsh Treasury underpinning a balanced budget rail settlement
- Deliver ongoing improvements in efficiency and operational effectiveness.
- Identify opportunities to reduce costs and maximise value for money, while maintaining service quality.
- Work with WG to strengthen its approach to management information and financial planning and cost control, building on progress made in developing the Medium-Term Financial Plan and associated governance arrangements, to ensure sustainability over the medium term.

Future Remit

This interim remit is intended to provide clarity and continuity during the early phase of this Government.

A full term-of-government remit letter will be developed following publication of the Programme for Government and will be issued by the start of the 2027-28 financial year. This will set out longer-term priorities for TfW, including strategic outcomes, infrastructure priorities and how to better engage with citizens of Wales.

Working Together with Welsh Government

The Welsh Government Partnership Team will work collaboratively with Transport for Wales (TfW) to agree and maintain proportionate, risk-based oversight and reporting arrangements for this remit period. The Team will monitor delivery and provide assurance, informed by ongoing assessment of risk and the effectiveness of governance frameworks, and, where appropriate, in conjunction with the Public Bodies Unit.

This remit does not seek to provide an exhaustive list of expectations, and we will continue to work in partnership to ensure delivery remains focused on our shared objectives.

It should be read alongside the Framework Document between the Welsh Government and Transport for Wales (TfW), and TfW's Articles of Association. TfW is also expected to comply with the standards, guidelines and governance principles applicable to publicly funded organisations, including (but not limited to) *Managing Welsh Public Money*, the Nolan Principles, and the Well-being of Future Generations (Wales) Act 2015.

The constructive, transparent and challenge-based relationship between TfW and the Welsh Government is critical to delivery. I would like to thank you for your continued commitment to this approach.

I look forward to working with you to ensure that, together, we deliver a transport system that improves the lives of people across Wales.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Mark Hooper', with a long horizontal flourish extending to the right.

Mark Hooper AS/MS

Dirprwy Weinidog dros Drafnidiaeth
Deputy Minister for Transport