COMMUNITY TRANSPORT INQUIRY
COMMUNITY TRANSPORT ASSOCIATION
WRITTEN SUBMISSION

About the Community Transport Association

The Community Transport Association (CTA) is a national charity giving voice and providing leadership and support to member organisations, which are delivering innovative transport solutions to achieve social change. Voluntary and community transport exists to meet the travel and social needs of people to whom these would otherwise be denied, providing accessible and affordable transport to achieve social inclusion. The CTA is the representative body for third sector passenger transport operators in the UK. CTA member organisations are involved in the provision of transport, especially accessible services. CTA has 150 members in Scotland and 1500 around the UK.

Introduction

CTA welcomes the Infrastructure and Capital Investment Committee’s call for evidence. Our members provide transport services for people who cannot use public transport or who live in areas where public transport is scant or non-existent. Some members provide flexible dial a ride services which take people from their homes to the places they wish to go – services akin to both a bus service and a taxi service; others provide vehicles for hire to community and voluntary organisations with or without drivers; others run social car schemes where volunteers use their own cars to take elderly or disabled people to the places they wish to go; and wheels to work schemes provide scooters or cars to people at very low cost to enable them to get to work places, where lack of transport is the main impediment to them taking up employment opportunities.

Currently community and voluntary transport providers deliver around 3.5 million passenger journeys a year in Scotland with the support of around 4000 volunteers and over 400 paid staff.

Why is Community Transport necessary in Scotland?

An expectation of good quality transport services in Scotland can be inferred from several of the country’s national outcomes. For example:

- Our public services are high quality, continually improving, efficient and responsive to local people’s needs, and
- We live in well-designed, sustainable places where we are able to access the amenities and services we need.
In practice, however, public transport services are in decline in Scotland. Bus services – by far the most commonly used form of public transport – are on a downward spiral as cuts to supported bus services is causing commercial operators to withdraw services. A recent economic analysis of the Scottish bus industry, commissioned by the Confederation of Passenger Transport, showed that there has been a 12.5% drop in the number of miles covered by buses in Scotland since 2008. This can leave some Scottish citizens without access to the most basic services such as shops to buy food and NHS facilities to cater for their health needs.

It is in the absence of good public transport that community transport emerges. Rather than wait for others to come up with the solutions to local transport, sometimes local citizens take it upon themselves to develop transport for people in their local area, particularly for people who are in danger of being isolated. So, community transport is a “bottom up” approach to developing transport and is rarely a consequence of “top down” planning. Very often community transport is the difference between no transport and some sort of transport service in a particular area. In respect of transport, community transport is exactly the kind of approach to local service design and delivery which the Christie Commission report recommended. The Christie Report places a strong emphasis on communities being more involved in the design and implementation of public services.

The value of community transport

Community transport meets many wider policy objectives than just transport. It is a key contributor towards social inclusion, health and building resilient and sustainable communities.

In terms of combined financial turnovers, community transport is worth around £10 million per annum in Scotland. Around 30-40% of this total is in the form of grant aid (with local authorities by far the most significant partner) and 60-70% is self-generated through fares, hire of vehicles, contracts or service level agreements and fundraising. However, this is only part of the picture as community transport brings much more by way of added value to society.

Some 4000 people give their time on a voluntary basis to community transport in Scotland as drivers, passenger assistants, co-ordinators and trustees. A survey of 80 community transport operators conducted by CTA in 2011 showed that if the minimum wage rate was to be paid for each hour given by the 2,500 volunteers attached to the operators surveyed, this would have a financial value of around £1.7 million.

A study into the value of community transport, commissioned by HITRANS in 2011, which scrutinised five community transport operators in the Highlands and Islands, showed that across the five case studies the cost of replacing the community transport provision with commercially managed transport services would be in excess of £500k which compared with total council spending on these projects of less than £100k.
It is difficult to measure the cost implications of a lack of transport but this too is an important element in valuing community transport. One way of approaching this is to consider that for some older and disabled people, the withdrawal of a transport service can be the tipping point which forces them to have to go into residential care as they can no longer live independently. In such situations the cost to the public purse is a minimum of £24,000 per annum per individual. However, this analysis of the wider implications of transport is not factored into transport planning. In considering transport, planners tend to focus on passenger numbers and costs per passenger journey but do not consider the consequences for people with social needs if they do not have a transport service.

**How can community transport services be improved?**

Community transport is misunderstood and undervalued. Its regulatory regime is complex and services are financially fragile with many organisations unable to plan their business for more than one year ahead. Invariably, community transport is the product of the energy and commitment of people within communities who want to make their neighbourhoods better places to live in. It is this commitment that has been the prime factor in the survival of community transport over the past five years in a climate of public finance restraint. Community transport offers an option for developing local transport in the current climate of mainstream transport service withdrawal but it is much more difficult nowadays to start a service from scratch, even with committed individuals, as the resources to get services off the ground are harder to obtain.

The following suggestions could improve the environment for community transport and lead to better outcomes for communities across Scotland.

**Strategic** - Though the “bottom up” approach of community transport should continue to be preserved, community transport rarely works well without the commitment of public sector bodies, whether that is central government, local authorities, NHS bodies or others. Public bodies are “missing a trick” by not working more closely and openly with community groups and much could be achieved with transport in Scotland through closer working between public bodies and communities. The forthcoming Community Empowerment and Renewal Bill may help to build such relationships.

Improvements could be made if local authorities were to develop well thought out policies on community transport. Some local authorities are more supportive and have a better approach to community transport than others but in general community transport has a low priority in our local authorities. Good policies would distinguish between commercial transport services and community based services and lead to a more effective allocation of resources to ensure that citizens have good local transport. The wider social objectives which are achieved as a consequence of community transport should be factored into transport planning with a shift beyond the narrow approach currently adopted.
A new approach to transport to health services - The demands on NHS services are growing as the proportion of older people in the Scottish population rises dramatically, but there is a growing problem with getting patients to and from health services. The Scottish Ambulance Service is tightening its eligibility for non-emergency patient transport services which means that substantially fewer people can now use ambulance services – the number of annual patient journeys provided has almost halved since the late 90s. Some people may have private transport and others may be able to use public transport services to get to and from health services but there are others for whom getting to and from hospitals, as non-emergency patients, is a real problem. As Audit Scotland’s 2011 report into transport to health and social care showed, the NHS is not using its resources effectively to tackle this problem even though lack of transport is bound to be a primary reason for missed NHS appointments. There is much talk of engaging with community transport services but little by way of financial commitment to enable sustainable services to develop. There are some good examples of local initiatives but these are small and ad hoc and are not being replicated across the country. Often the NHS has a completely unrealistic expectation of how the costs of providing patient transport by voluntary organisations should be provided. The Audit Scotland report identified that the contribution from NHS boards across the whole of Scotland in 2011 amounted to a paltry £431,257. Social car schemes are a particularly good model for tackling non-emergency patient transport; if the NHS were to direct attention and resources towards developing such schemes then this could go a long way towards solving the problem of non-emergency patient transport. Closer scrutiny of NHS spending on taxi services could show where efficiencies could be found to pay for this. Community transport is a good fit for the Change Fund objectives. In some areas the Change Fund is being used effectively to help develop community transport services but in others community groups have difficulty in finding even the most basis information about how the Change Fund works in their local area. It may be reasonable for patients to contribute towards transport organised for them to NHS facilities but where the costs are clearly prohibitive we believe the NHS should be contributing financially. We also believe that the onus of working out the economics of non-emergency patient transport and how services might be delivered in practice should rest with the NHS itself.

Legislation - community groups wishing to get involved in community transport face the daunting prospect of getting to grips with legislation. Most will want flexibility in designing services but the most flexible permit (called Section 19) is restricted to carrying certain classes of passenger only – for example disabled people - but not the general public. Those who may want to set up local community bus services for the general public (called section 22) lose out on the flexibility of section 19 services, are forced into designing routes and timetables which may or may not meet the needs of local citizens and need to have back-up vehicles if the vehicle providing the service breaks down. Car schemes are restricted to charging a maximum mileage amount only when working out fares irrespective of what the true cost of fuel and wear and tear to vehicles is. Regulations forbid other costs such as co-ordination to be built into fares and so these have to be found from somewhere else.
All the models of community transport have some “sting in the tail” which restricts them in one way or another as a result of the legislation for community transport. Legislation could be scrutinised with a view to establishing a simpler approach which will be more attractive to community groups. Perhaps one kind of permit or licence could be designed for the community and voluntary sector covering every model of transport service and reducing bureaucracy. The test for eligibility would be the governance of the organisation including its constitution or governing instrument.

**Concessionary fares** – Though community bus services operating under a Section 22 permit are eligible for the bus concessionary fare scheme, there are not many such services in Scotland at present. The more flexible section 19 services are the most common form of community transport but are not eligible for the concession scheme. Thus, although users of section 19 services hold a concession card they cannot use it on community transport services and generally have to pay for this service. Given that social inclusion is one of the key objectives of the concession scheme there is a strong argument for considering how community transport could be better included in the scheme. In its current form, even if section 19 services were to be included in the scheme, there are some major hurdles. One is that the costs of the hardware and software required in order to participate in the scheme are of the order of £5-10,000 even for a very small operator. The second problem is that the reimbursement rate for fares has steadily reduced to currently 60% of the fare – the 40% differential has to be absorbed by the operator. Both of these are barriers to entry to the concession scheme. Community transport organisations are too small to be able to generate new passengers in the way that a large bus company can and also they cannot make a profit.

Including wider community transport services in the concession scheme would mean that arguably those who most need the concession would be able to use it on the services which best fit their needs. However, the concession scheme in its current form would not work for community transport operators unless the costs of the equipment to participate in the scheme were provided and if the reimbursement rate was set at 100%.

**Funding for vehicles** – Many well established community transport operators say that replacing their vehicles is their single biggest problem. Most operators would accept that the current financial climate makes it difficult to expect all their requirements to be met by funders but if investment could be found for one purpose only then most would wish to have a fund for vehicles. This could be funding for replacing vehicles being used on services which are already well established or for vehicles to be used on new services where a robust plan is presented on how the asset could be used. In areas where bus services have disappeared or cut, provision of a vehicle is the catalyst which really galvanises a community into running its own transport service.

**Driver training** – One factor that makes community transport feasible is that drivers of small buses – whether they are paid or are volunteers - traditionally
have not been required to obtain special driving licences, such as are required to drive on a commercial bus service. This is possible on most small buses only for those who have D1 classification on their driving licences. All who passed their driving test prior to January 1997 have this automatically on their licence – all who passed their driving test after January 1997 do not have this. Since 1997, drivers of vehicles which weigh more than 3.5 tonnes must have a D1 entitlement on their licence. This means that nobody under 33 years of age is permitted to drive a vehicle weighing over 3.5 tonnes without obtaining a D1 licence. The cost of obtaining this is of the order of £800-1000 or more and involves a substantial time commitment for training. This has created a growing problem for all kinds of voluntary transport activity, whether that be volunteers taking neighbours shopping or teachers taking pupils to sports events. As each year passes the pool of people who can drive vehicles without having to sit a D1 test gets smaller and smaller and drivers are getting older and older. It is European legislation which is behind this problem and so it is difficult to see how the legislation can be changed. The extra costs for training drivers will be difficult for community groups to cover. A strategic approach from Government or local authorities which can help with and perhaps reduce costs would go some way to resolving this problem.

**Procurement** – The pattern of community transport development is that it evolves in accordance with the needs of people who need such services in local communities. Grant aid or service level agreements have been the traditional funding methods for getting services off the ground and maintaining them, though overall most of the revenue required to sustain services is generated via earned income. This model has worked well as it has allowed the flexibility to shape services according to the needs of passengers. In recent times some local authorities have considered a tendering and procurement process for community transport services. Many community transport operators report that they have found this a difficult process which ultimately will lead to poorer services for those who need them. The bureaucracy attached to contracts which are often of very low value is usually disproportionately high.

Transport contracts are frequently based on a prescriptive model of inputs and outputs – a certain number of vehicles delivering a certain number of journeys along a certain route. This approach may incrementally reduce costs through competition, but it does present transport commissioners with several challenges:

- It is tactical rather than visionary. Transport commissioners tend to get bogged down in minutiae concerning matters as small as tyre specifications rather than thinking about strategy and “big picture” matters such as “what are the consequences for isolated people if they do not have transport?”
- An outputs focus strangles innovation. For most questions there is usually more than one answer. Over-specifying contracts is an impediment to being able to consider bold new approaches that might cut costs dramatically, improve services or even both at the same time.
It can lead to a “race to the bottom” in terms of service quality – the only dimension for the supply chain to compete on in an over specified contract is price. This focus on price, with all other considerations of much less importance to the procurer (such as the assistance which community transport operators provide for passengers), means that those who do offer quality services which the public are more likely to value are sometimes forced to go out of business when they lose contracts to low price bidders who turn a blind eye to all except their own income.

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