

A Briefing on the Department for Transport's Proposed Changes to Community Transport

In February 2018, the UK Government released a consultation and impact assessment outlining how EU regulations should apply to transport services run by not-for-profit organisations in England, Wales and Scotland.

CTA has produced this document to offer an insight into what the changes proposed in the consultation and impact assessment might mean for our communities and for not-for-profit organisations, and how the services they rely upon can be protected.

What is this about?

Very often public transport isn't an option for those who cannot drive, have no local bus service, or cannot use conventional public transport as they need additional support.

All over the UK, local and community-led groups and organisations run accessible transport on a not-for-profit basis to meet the needs that commercial public transport can't or won't.

Collectively, we refer to these not-for-profit services as **'community transport'**, as they are run by and for our communities, fulfilling a social purpose and for community benefit.

Thousands of charities and third sector organisations currently run community transport on a daily basis. From schools to churches, from care homes to your local dial-a-ride, every day, huge numbers of people hop in their minibuses to help members of our communities get to where they need to be.

However, this may be set to change.

Currently, not-for-profit organisations who want to run transport can use **section 19 or section 22 permits** rather than getting a more expensive commercial operator's licence (PSV O licence). This is in recognition of the fact that they are **not making a profit** from their transport services. They are also able to use training such as the Minibus Drivers' Awareness Scheme (MiDAS) to ensure their transport service is safe and legal. MiDAS is specialised training for not-for-profit organisations with a practical pass/fail element. It has a specific focus on ensuring that drivers understand the need for transport to be accessible and inclusive. It provides an alternative to Driver Certificate of Professional Competence (Driver CPC) required for drivers in commercial organisations, which is an attendance based qualification for commercial bus and lorry drivers.

This unique way of operating for not-for-profit organisations has been supported in legislation and encouraged by successive governments for nearly 30 years. This arrangement has successfully ensured that people in our communities can still get about when public transport cannot support them.

Now, following a legal challenge from a small group of commercial bus operators, the Department for Transport has recently produced guidance that attempts to clarify how European Union regulations regarding transport operation should apply.

Whereas previously the UK Government recognised that a not-for-profit organisation could be exempt from the need to comply with the regulations intended for commercial organisations, the proposed guidance makes clear that the Department for Transport's view has now changed. Their new view is that:

“If a transport service is provided by an organisation in return for payment, that service should be treated as commercial, even where the organisation is not-for profit.”¹

This guidance and impact assessment suggest changes that will alter the way that not-for-profit organisations can run their transport, meaning that an estimated:

- **28%** of all organisations running not-for-profit transport will need a commercial operator's licence to continue running their services.
- **84%** of all organisations running not-for-profit transport will have to ensure their staff and volunteers obtain a commercial minibus driving qualification if they want to continue to drive their vehicles.
- **95%** of all organisations running not-for-profit transport will be affected by these changes and required to spend large amounts of money to become compliant.

If the proposed guidance stands, the total estimated impact to organisations will be **£399 million**. Organisations will face costs from £10,000 up to figures of well over a million (depending on their size), in order to make sure they are compliant.

This cost will likely be impossible to meet for many of these not-for-profit organisations, meaning that they will no longer be able to afford to run their transport services.

We do not believe this was the intention of the Department for Transport, but it will be the outcome if they do not reconsider their guidance.

This impact of the loss of these services will not be felt by the Department for Transport, it will be felt by the people who have come together to help their community through transport, by the older people and people with disabilities who can no longer access their community because these services don't exist, by the youth groups and care homes who can no longer provide transport for trips and services, and by our local authorities who will have to make up for these losses, because people are left isolated and lonely.

We do not believe this needs to be the case. We believe that there are alternative ways forward.

¹ The Department for Transport's presentation for their consultation workshops.

How will our communities be affected?

We know the costs of these reforms will be impossible to meet for many organisations, and that as a result many of these transport services will no longer exist. People in our communities rely on these transport services every day and they have a hugely positive impact on their lives. We know this because they've told us.

Read the stories below from people in our communities who use community transport and imagine a world **#withoutCT**:

For people with disabilities

"I started using the service because my husband was in a wheelchair, he was completely paralysed, he'd lost his speech, he couldn't get in a car, he couldn't get in a taxi, or anything." Sheila explained that for two years they had little to no access to transport outside of their immediate surroundings. When she was asked how it felt knowing there was now transport available, for both her and her husband, her voice lit up: "You couldn't believe my husband's face! It made his life so different, he was so happy, it was so marvellous for him!"

Sheila, Yorkshire

In times of need

"On Wednesday 14 June our community and then the rest of the world, witnessed the tragic fire at Grenfell Tower. The Westway Community Transport team were all accounted for but two members of staff lost their home of 35 years. They continued with their usual services including taking over 200 children to school and made their fleet of vehicles available to emergency planners and community activists. Some drivers moved clothing donated to the Muslim Cultural Heritage Centre, others helped bring food and bedding to nearby sanctuaries for those people who had been made homeless. "This terrible event has ruined the lives of so many in our community" they said, "but it will not stop us helping those in need"."

Westway Community Transport

For older people and local groups

"Each year we provide transport for a concert in our area put on by a local community group. All of the nursing and residential homes in the local area are invited and we transport over 70 passengers to the concert. Some of these passengers may not have been out on an evening for a long time, one passenger's comment of "I haven't seen the stars for years" has really stuck with me"

Jenny, Green Community Travel, Bristol

For people who can't drive

"In 2013 my wife passed away and every Friday my son picked me up and took me to his home so I could spend the weekends with family. In 2016 he was diagnosed with Parkinson's and could no longer drive which prevented him from picking me up. Having discovered Brent Community Transport, they were able to provide me with this trip and it was such a joy for me to be able to get back out and spend the weekends with my family. I am 90 years old and disabled, the services provided are a lifeline for me. After losing my wife, there was a period of loneliness with my family not living locally for me but since I joined BCT, my life has become worth living."

Mr S Ahluwalia, London

For volunteers

"I was in the Civil Service my entire adult life but after a period of illness I was left in the house all day becoming withdrawn. In an effort to shake this off and get back into a routine I decided to seek what voluntary work I could do whilst being off sick. I volunteered driving at Inverness Voluntary Transport (IVTS) and thoroughly enjoyed every rewarding minute of it. I eventually retired from my job on ill health grounds, deciding to apply for a new job and was successful. The extra confidence and my knowledge of IVTS helped me to land the job – a complete change of career!"

Dougie, Inverness

In rural areas

Dorset Community Transport stepped in when 26 bus routes were cut in their area. Penny and her brother-in-law Allan are passengers on the new route. Penny said "Allan was extremely worried when the council cut the route – everyone was. DCT's service is a lifeline for Allan. If you are not able-bodied and don't have a car, you are absolutely stuck."²

Dorset Community Transport

² <https://ectcharity.co.uk/News/story/little-green-bus-provides-lifeline-for-rural-communities-following-cuts>

How will not-for-profit organisations be affected?

The proposed reforms will affect not-for-profit organisations in three ways:

1. 97% of charitable and community not-for-profit organisations who primarily exist to run transport services for schools, youth clubs, hospitals, other charities and many more causes, will be forced to make expensive and largely unnecessary changes.

They will need to obtain a commercial operator's licence (a PSV O licence), a licence intended for organisations making a profit from their services, even though these organisations cannot legally make an overall profit. The staff and volunteers who drive their vehicles will need to obtain a commercial minibus driving qualification (Driver CPC) currently only required for commercial drivers.

We anticipate that this will affect just under 2000 not-for-profit organisations, and will cost them easily into the tens of thousands of pounds and will result in many organisations having to cease or reduce services.

2. 84% of all not-for-profit and third sector organisations who run some form of transport, regardless of their organisation's main purpose will require any employee that drives a minibus on behalf of their organisation to obtain a commercial minibus driving qualification needed for commercial drivers. This would include teachers at schools and staff at organisations such as Age UK.

We anticipate that this will affect roughly 5300 organisations and 53,000 drivers. It will initially cost the organisations around £1500 per employee who drives.

3. Any organisation that hires in vehicles from, or works with, another charitable or community organisation who exists to provide transport may no longer be able to do so.

This might include a Scout group who hires a minibus to go camping for the weekend, or a charity that works with a local community transport provider to help them get people to and from their services.

We anticipate that for community transport charities, their group or private hire services to other not-for-profit and third sector organisations may have to stop in order to protect the other vital services that they provide.

 <p>House of Commons Transport Committee</p> <hr/> <p>Community transport and the Department for Transport's proposed consultation</p> <hr/> <p>First Report of Session 2017-19</p> <p><i>Report, together with formal minutes relating to the report</i></p> <p><small>Ordered by the House of Commons to be printed 11 December 2017</small></p>	<p>“the Department [for Transport] needs to more fully understand the scale of the problem, and the wider implications of the solutions it proposes. It must not use a sledgehammer to crack a nut.”</p> <p>Lilian Greenwood MP Chair, Transport Select Committee</p>
--	---

We need to show the Department for Transport why their proposed reforms will have unintended consequences. We need to show them how their proposals are unclear, unworkable and unfair.

We're asking the DfT to reconsider their reforms, and we're encouraging you to join us.

We're asking members of the public, charities and politicians to hold the DfT to account and start talking about the impact the changes would have on the tens of thousands of people who rely on these services.

How can you help?

1. Speak to your MP

Write a letter to, or ask for a meeting with, your MP. Tell them about the impact the proposed reforms could have on you and your community or organisation, and ask them to hold the Department for Transport to account.

You can find template letters and case studies to help you do this on our blog: www.ctablog.org

2. Join in the conversation on social media

Make some noise on Twitter, Facebook, LinkedIn or whichever social media platform you prefer. Pass on the message about the proposals and let people know what would happen **#withoutCT**.

3. Respond to the consultation

The consultation is open until 4th May 2018, and the Department are encouraging responses from everyone. If you're a member of the public who cares about community transport, you can just answer Question 6. If you represent an organisation that uses or operates community transport, you can find guidance on our blog on how to respond at: www.ctablog.org

If you are concerned about the changes, or are unsure how they might affect you or your organisation, please don't hesitate to get in touch with the Community Transport Association by e-mailing hello@ctauk.org or phoning 0161 3511475.

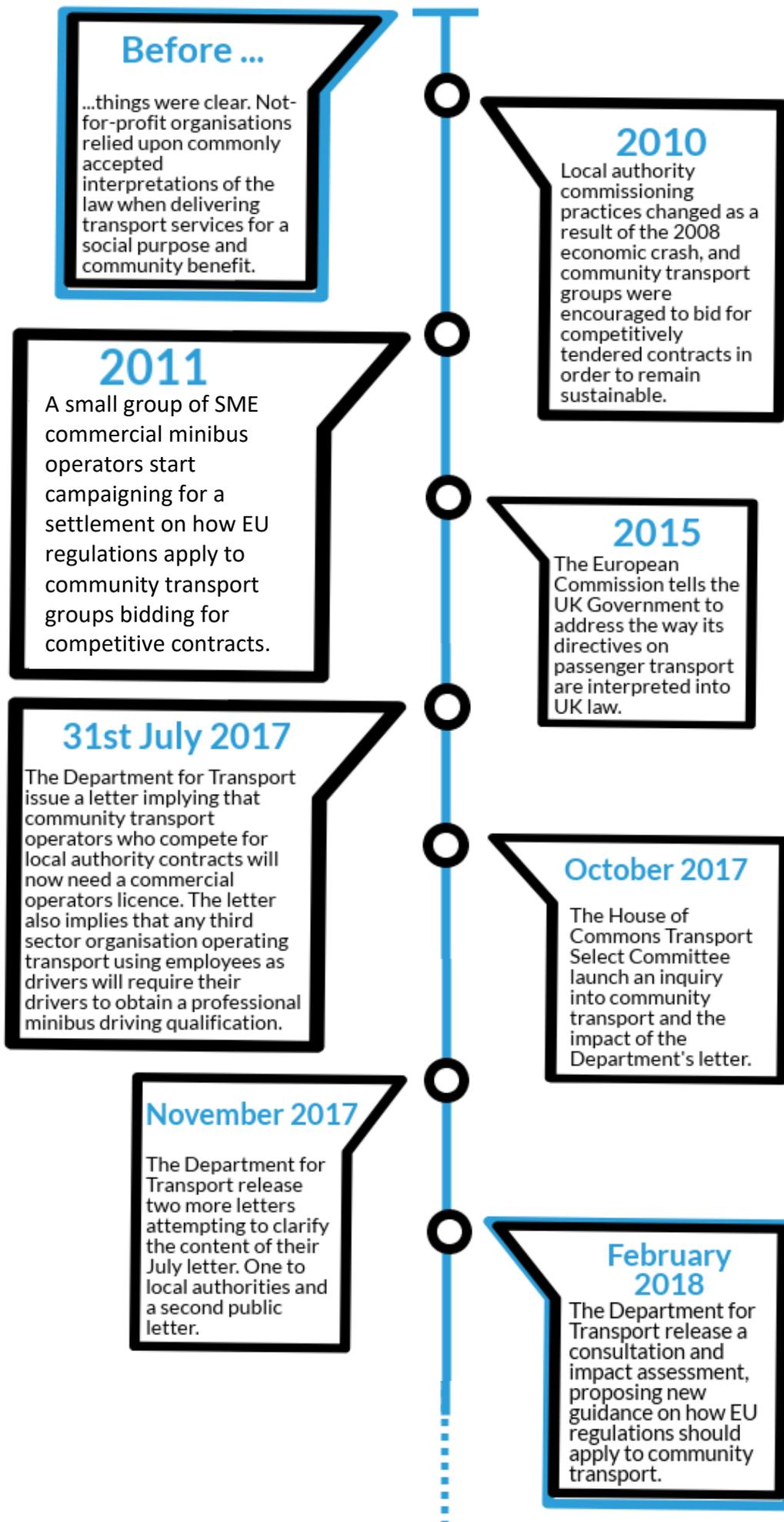
About the Community Transport Association (CTA)

The Community Transport Association (CTA) is a national charity working with thousands of other charities and community groups across the UK that all provide and support local transport services that fulfil a social purpose and community benefit.

We are for, and about, accessible and inclusive transport. Our vision is of a world where people can shape and create their own accessible and inclusive transport solutions so everything else in life can be accessible and inclusive too.

Community transport is about doing more, and doing better, for people who face barriers in having choice and control in their lives through poor access to transport. Community transport is also about recognising that some needs are best met through communities doing things for themselves.

Appendix 1: The background to the changes



Appendix 2: Bill Freeman, CTA's Chief Executive

CTA's View

An extract from a blog article released when CTA launched our guidance to members.

Everything comes down to three big issues.

1) Things are still unclear.

Before last summer things seemed clear – we had commonly accepted interpretations of the law that only a handful of detractors weren't prepared to go along with. We still stand by the principle that being a non-commercial entity means all your services are non-commercial and still want to convince the DfT that they should do the same.

We lost that clarity with the Department for Transport's letter of 31 July and this uncertainty has had a massively destabilising effect on many charities, their commissioners and their passengers – as much as any actual proposed changes themselves.

We hoped this uncertainty would be short-lived once the consultation came out, but in its current form, the proposed guidance doesn't provide the much-needed clarity the sector was expecting to see. By parking the question over how Driver Certificate of Professional Competence (Driver CPC) applies, the consultation also prolongs the uncertainty for thousands of organisations that don't have transport as their main activity as well as mainstream community transport operators.

We accept there needs to be room for discretion because every eventuality and permutation cannot be mapped out, but what we have at the moment just throws a blanket of doubt over everything that holders of section and 19 and 22 permits do and could damage far more than the provision of local authority contracts.

The Department's proposed solutions assume the world to be nice and neat with decisions about licences, money and contracts being simple, linear and sequential. We know the world is more complex and dynamic and we need to show how.

What will help is our sector providing information and examples through the consultation and during DfT events that address the lack of a real-world view in the language and labels they are using and the processes they assume take place when services are commissioned and licences or permits are issued.

2) Outsourcing enforcement to commercial operators is unworkable.

There are no credible means of directly assessing if competition exists that can inform a judgement on whether exemptions from the regulations can be applied. The Department, therefore, has to find a way to infer this through some other means. We think allowing commercial operators to be the arbiters is the completely wrong approach and we have to work as a sector to provide a better more workable solution.

It may be that local authorities are better placed to do this because they at least have public accountability but this won't solve all the problems we foresee.

3) This is unfair.

By accepting a premise that any transaction in any form makes something commercial, the proposed changes will wipe out many more charities than the Department intended i.e. not just those who compete for contracts. And once the impact of applying the same principles to Driver CPC is realised this will take out even more charities or make many of the things they currently do unviable in the future.

We do not believe this was the intention of the Department for Transport, but it will be the outcome if they do not reconsider their guidance.

The people this is most unfair on is our passengers, especially those who can't access mainstream services or don't have cars and rely on community transport. They are rightly alarmed that there seems to be no assessment of how this will impact on their quality of life.

Having taken this action to avoid a day in court with a bully, the UK Government now faces the very real prospect of a legal challenge from some of our most isolated and vulnerable citizens for not having paid sufficient attention to how these reforms will impact on them. We know they care about the same things we do, so this cannot be something they want.

This is not just about transport. It's about the kind of country we want to live in. Let's spend the next month working together to show everyone what that looks like.