

THE CTA STATE OF THE SECTOR REPORT FOR ENGLAND 2009



**Community
Transport
Association**

Sponsored by



ABOUT THE CTA

The CTA is a UK-wide charity giving voice and providing leadership, learning and enterprise support to member organisations and individuals across the third sector who are delivering innovative and flexible transport solutions to achieve social change.

The CTA's vision is of "A fairer society free from social exclusion and injustice where everyone has personal choice, mobility and access to the services they require."

The CTA works to achieve our vision by:

> **Representing the views** of voluntary and

community transport in the UK to influence government at all levels, and build support and investment for the sector.

> **Inspiring and empowering** our members across the UK through leadership, learning and enterprise, and encouraging participation to bring about change.

> **Working towards an integrated transport network** which embraces accessible, community-based transport services to achieve a fairer society and sustainable communities.

The CTA promotes excellence through providing training, e-based resources, publications, advice, consultancy, events and project support on voluntary, community and accessible transport.

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.

ABOUT RBS COMMUNITY BANKING

At RBS, we have from the start played an active part in developing and supporting the social enterprise market. The drivers for our support were about both being socially responsible and creating commercial opportunities. This foresight has enabled the bank to become market leader in this sector and we continue to innovate and support during what is an exciting growth stage. Our commitment to supporting the future success of the sector is evidenced by the appointment of over 100 locally-based community managers throughout Britain, whose remit includes serving the needs of social enterprises and community organisations.

Each year, RBS supports thousands of people who want to start a business and many more who want to see their business grow. Enterprise is the lifeblood of the UK

economy and, at RBS, we believe that new businesses lead to job growth and wealth creation. Social enterprises are incredibly diverse: from recycling waste, providing visitor attractions and leisure activities, providing transport as well as care in the community – they are dynamic businesses that exist for a social purpose, trading in competitive markets and are playing an increasingly important part in the UK economy. Their approach to business is bringing many benefits, transforming communities, creating jobs for people excluded from mainstream employment and helping to drive a healthy and vibrant economy.

A lot has been accomplished but there is still a lot to be done. It is not easy we know, to set up and run a business – even more so, a social enterprise. They challenge the

accepted way of doing things. It's not that they set out to be awkward but, having discovered better, more suitable ways to tackle some of the most pressing issues in our society, it's hard to accept the status quo. Finding new ways to access start-up or growth capital, growing the management structure and governance in organisations, developing leadership skills: these are some of the real business challenges that must continue to be addressed to ensure that even greater success can be achieved in the years ahead.

By working in genuine partnership, the private sector, public sector and the social enterprise movement can and will continue to play a vital role in delivering enterprising solutions.

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OVERVIEW

This is the CTA's first State of the Sector report. We embarked upon this project in summer 2009 to enhance our understanding of the community transport sector across England.

Our aim is that the baseline information gathered will enable us to develop a robust and comprehensive evidence base for our sector through further State of the Sector reports in future years.

This research is undoubtedly timely, as the Local Transport Act 2008, which was implemented earlier this year, represents the biggest opportunity in a generation for community transport organisations to develop innovative services to meet the needs of their communities.

Community transport organisations and local transport authorities must now work together – making use of tools such as the next generation of local transport plans – to ensure this opportunity does not pass them by.

Future reports will enable us to monitor the impact of the Act upon the sector and find out whether its potential is being realised.

Defining the sector and the extent of it has presented us with a significant challenge. Building on this research, the CTA plans to develop an agreed definition for the sector in the future.

During our efforts to define the scope of the sector it became clear that the extension of Bus Service Operators Grant to community

transport organisations in 2002 has clearly been extremely beneficial to the community transport sector. It is now the single source of funding across England which most community transport organisations are likely to be eligible to claim, yet from our research it is clear that more community transport organisations should be doing so.

We have some significant concerns about the future funding of the community transport sector. Our research shows that although the majority of local transport authorities provide some form of financial assistance to community transport organisations in their area, few provide capital support, and 18% provide no support whatsoever. When the time comes to replace vehicles – to comply with new environmental legislation, enable better access for people with disabilities or simply to replace an ageing fleet – where is the funding going to come from? Is this a ticking timebomb?

On the theme of procurement, there seems a clear division between those local transport authorities that wish to change their financial relationship with community transport organisations and those that do not. A balanced approach to grant support and social enterprise and encouraging a greater mix of funding to aid sustainability is, we believe, the right way forward.

Concessionary fares will continue to be a campaigning issue for the CTA. Our position is simple – that everyone who is entitled to a concessionary bus pass should be able to

use it on all community transport services. The CTA strongly recommends that the mandatory reimbursement for the provision of concessionary travel be extended to dial-a-ride services which are operated under section 19 standard permits and charged at separate fares. Almost all passengers of such services are eligible for concessionary travel but most are paying part or full fare despite this entitlement. We will explore concessionary fares further in future State of the Sector reports.

Turning to the future, the CTA intends to undertake further research into the numbers and types of community transport organisations that exist. We believe our next survey should focus on community transport organisations themselves – finding out about the true impact of the recession and public spending retrenchment – before we repeat the survey of local transport authorities in a subsequent year.

We need to agree at what frequency the surveys should be carried out and whether we extend this research to the rest of the UK. We will also develop a number of specific indicator measures, which could be used by other organisations which fund and support community transport organisations to monitor progress in their areas.

Above all else, we hope that this, our first State of the Sector report for England, will help raise the profile of the community transport sector and go some way towards demonstrating the size of it.

“THIS RESEARCH IS TIMELY, AS THE LOCAL TRANSPORT ACT 2008 REPRESENTS THE BIGGEST OPPORTUNITY IN A GENERATION FOR COMMUNITY TRANSPORT ORGANISATIONS TO DEVELOP INNOVATIVE SERVICES”

RECOMMENDATIONS

Based on the information we have gathered in producing this report, the CTA makes the following recommendations to create a strong environment in which community transport organisations can prosper, develop and provide much-needed help to people throughout society.

All local transport authorities should:

- > produce a strategic plan for community transport in their area, particularly with the advent of the next round of local transport plans (LTP3), which all local transport authorities are required to produce by April 2011.
- > produce a community transport directory.
- > consult with their community transport organisations about the potential of the changes to the permit legislation introduced by the Local Transport Act, and provide support to encourage community transport organisations to take advantage of this new flexibility to provide new services for their communities.
- > continue a programme of mixed funding for community transport organisations.
- > recognise that community transport organisations need to consider their own sustainability and to become more enterprising where possible and feasible. Local transport authorities can play a valuable role in building

the capability of community transport organisations and provide more support to overcome skills deficits.

- > reimburse operators of section 19 dial-a-ride services for carrying eligible concessionary passengers (at individual fares).

The British government should:

- > ensure that community transport is considered in the development of all relevant policies and legislation.
- > impose mandatory reimbursement for community transport operators carrying eligible concessionary passengers on section 19 dial-a-ride services (at individual fares).
- > reconsider the implications of changing BSOG to reward operators for carrying high numbers of passengers and adopting new technology, as this will have a devastating effect on public transport services in isolated areas and on people unable to use mainstream services.

Community transport organisations should:

- > engage with their local transport authority in the local transport plan development process.
- > produce a three-year business plan and consider at trustee level whether they wish to remain grant-funded or whether

they wish to develop their enterprise orientation. If the latter, they should also be aware of the implications of doing so and to seek advice and support from the CTA.

- > ensure they are fully informed about the Local Transport Act 2008 and take full advantage of the new provisions for community transport.
- > ensure they are claiming Bus Service Operators Grant, if eligible.
- > engage with the CTA on its concessionary fares campaign.

The CTA should:

- > secure resources to further develop a programme of State of the Sector reports in future years, not just in England but also in Northern Ireland, Scotland and Wales.
- > become the primary source of data on the community transport sector in the UK.
- > engage with local transport authorities, community transport organisations and the British government to make progress on each of the recommendations contained in this report.
- > agree a definition for community transport.
- > introduce a CTA quality mark for community transport.

Acknowledgements

The CTA is very grateful to all the local and integrated transport authorities, rural community councils and London boroughs who contributed to this report. Also, to Mandy Boorman, Phillip London and Matt Tyler at the Department for Transport. And to Duncan Sloan at RBS for sponsoring the publication and to John Taylor at the TAS Partnership for sharing some of his research on the community transport sector.

CTA staff carried out the survey and compiled the results. The project was managed by CTA Consultancy. This publication was edited by Julie Pybus at Society Media and designed by Sarah Blick at Glock.

Methodology

In June 2009 a survey was sent to a total of 120 local transport authorities across England, including London. These included unitary authorities, county councils, passenger transport authorities (known as integrated transport authorities since April 2009) and the London boroughs. We also engaged with rural community councils where they had a role specifically for rural community transport. We received a 75% response rate, although slightly fewer responded to the financial questions.

We also drew information from other information sources, including the CTA's own database, the A2B website, local community transport directories, the Department for Transport, VOSA and the Traffic Commissioners.

SUMMARY OF FINDINGS: INTRODUCTION

The community transport sector finds itself at a critical juncture in its history. The environment in which the sector operates is changing: funding is becoming scarcer, while legislative changes provide new opportunities.

Events outside the immediate community transport sector are also creating both challenges and opportunities, particularly the rise of social enterprise, the increasing emphasis being placed on community empowerment and the push for more third sector organisations to deliver public services.

And the work of the community transport sector is set against a backdrop of a society where, over the coming years, there will be an increase in the number of older people, and more people will suffer from ill health.

This report gives a snapshot of the diverse and dynamic environment within which the community transport sector operates and attempts to provide a narrative against which future developments may be measured and supported. Of course, one report cannot have all the answers and, at

the time of publication, the full effects of the current economic crisis have not yet been felt by the sector.

Many of the challenges that have faced community transport organisations over the years still exist today (the most prominent of which is the issue of funding), but the way in which these challenges manifest themselves are somewhat different. As we have already stated, the environment in which community transport organisations operate is changing and what was once a grant-dominated model of funding is moving towards a model which places the delivery of services at its core.

This report is published during an economic crisis that has taken the UK economy into a recession. It is too early to predict the impact of the recession on the income and the overall environment within which the community transport sector in England operates. Nevertheless, the report does give some early indications of the future relationship between local authorities and community transport organisations.

Set against a changing funding and regulatory environment and a wider economy that is going through a period of turmoil, the community transport sector is in transition. There is no doubt that local, community-based organisations will continue to play a vital role in society in England as emphasised in the “localism” agenda adopted by all political parties. However, this report shows that there will have to be a change in how community transport organisations, both individually and collectively, deal with the challenges and opportunities that they will face during a general reduction in public spending over the coming years.

We hope that this report is useful to a wide audience – not just researchers and policy makers, but also trustees and senior managers in the community transport sector. It is also for local authority officers, civil servants and ministers.

This document is a summary of highlights from the full report. To read the complete document, see www.ctauk.org

“THIS REPORT GIVES A SNAPSHOT OF THE DIVERSE AND DYNAMIC ENVIRONMENT WITHIN WHICH THE COMMUNITY TRANSPORT SECTOR OPERATES”

SUMMARY OF FINDINGS: THE EXTENT OF THE COMMUNITY TRANSPORT SECTOR

We have looked at four different indicators to assess the extent of the community transport sector. We have aimed to define community transport, to assess how many community transport organisations there are in England, to gain some knowledge of how many community transport vehicles there might be, and we have examined BSOG, the largest single source of funding for the sector.

1 What is community transport?

The definition of community transport which is used by many local transport authorities was developed by the Department for Transport in its review of voluntary transport in 2005. It states:

“Local passenger transport provision which is not provided through scheduled bus or rail services, and which is organised on a non-profit basis by voluntary organisations, community transport groups, and other non-statutory bodies”

“Community transport covers a much wider sphere encompassing the transport needs arising from the issues of gender, ethnicity, young people, isolation, poverty and people on low incomes as well as elderly and mobility impaired people. In the main, it is a response to the transport needs of individuals or groups not met by private, statutory or conventional public transport services. Voluntary sector transport organisations may be solely service providers or they may combine this with a campaigning role. They may serve the general public or a particular sub group of society; they may be made up solely of volunteers or of a combination of volunteers and paid staff; and they may vary in size from 1 or 2 vehicles up to 50 vehicles or more.”

Community transport organisations possess a number of attributes which distinguish

them from other passenger transport providers. These include:

- > being third sector organisations embedded in their local community.
- > providing safe, accessible and affordable transport solutions to meet local needs.
- > being community-owned and managed by local people.
- > being inclusive and non-statutory.

We asked local transport authorities to provide us with figures for community transport organisations based on the following definition: *“Transport provided by community or voluntary organisations to members of the community who do not have suitable public transport services available for their travel needs.”*

2 How many community transport organisations are there in England?

Our research demonstrates that there are approximately 1,500 community transport organisations in England.

To place this figure into some sort of context this represents 1% of the estimated 150,000 general charities operating in the UK (NCVO, 2008).

Note that this does not include all the third sector organisations for whom transport is an important, but subsidiary activity.

3 How many community transport vehicles are there in England?

Most community transport operators are exempt from the need to have a PSV operator's licence. Instead, most run under

section 19 or section 22 permits, which were introduced in the Transport Act 1985. The number of permits in existence gives us some idea of how many vehicles there might be in operation in England.

In 2007/8, 3,692 permits were issued. However, we are unable to conclude from this how many vehicles are operating as it is not known how many of these are for new enterprises and how many are replacing faded, lost or stolen permits. From 6 April 2009, section 19 permits will be time-limited, normally for five years. This means that we will be able to gauge the number of vehicles more accurately using this data in the future.

The table below uses information from the DfT along with the Traffic Commissioners' annual report and adds the number of permits issued by the CTA.

There are currently changes taking place to the permit system following the Local Transport Act 2008.

4 Bus Service Operators Grant

Bus Service Operators Grant (BSOG) is the single source of funding across England which the majority of community transport organisations are able to claim.

We know that the approximate value of the total claims for BSOG from community transport organisations in 2008/9 was £7.6m and approximately 700 separate community transport organisations claimed it.

During 2009, the government commenced a review of BSOG and the CTA has been actively involved in looking at proposals to change the grant to be a government measure to encourage a reduction in the environmental impact of road passenger transport.

Number of small, large and community bus permits issued in England						
	Section 19 Small Bus Permits issued by:				Section 19 Large Bus Permits	Section 22 Community Bus Permits
	Traffic Commissioners	Local Authorities	Other Designated Bodies	CTA		
2007-08	1190	1475	624*	403	24	1
2008-09	1130	1950*	370*	410	29	10

*Figures on the number of permits issued to operators are not yet available for 2008/09. These figures are the number of permits allocated by DfT to local authorities and designated bodies for distribution.

SUMMARY OF FINDINGS: KEY GOVERNMENT POLICIES AFFECTING THE SECTOR

The policies of three government departments affect community transport in England.

The Department for Transport

In November 2008, the Department for Transport (DfT) published *Delivering a Sustainable Transport System*. One of the five goals for transport contained in the strategy is “to promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society.”

This is supported by the following statement:

The DfT want to promote greater equality of opportunity for all citizens, to help achieve a fairer society. Narrowing the gap between rich and poor individuals and regions and improving the life chances of all is at the heart of equality of opportunity. People can be disadvantaged by personal circumstances and by where they live. In practice, the two often overlap. Our aim is to ensure that we have a transport system that not only promotes economic growth of all regions but also provides everyone with access to the goods and services, employment opportunities and social and leisure activities they desire. As well as providing connections to, from and within areas away from the main population centres, such as rural areas and market towns, we need to consider how

transport might contribute, for example to regeneration plans. And we need to keep in mind the need for transport to be accessible, affordable, available and acceptable to transport users, and the challenges that will come with an ageing population.

The Department for Communities and Local Government

In July 2008, the DCLG produced a local government white paper entitled *Strong and Prosperous Communities*. Its aim was to give local people and local communities more influence and power to improve their lives. The white paper was supported by a companion report called *Developing the Local Government Services Market* to support the long-term strategy for local government which identified local transport services as a potential growth area for the third sector and suggested that local government should stimulate the latent potential of the social enterprise sector to deliver a bigger share of bus and community transport services.

The Office of the Third Sector in the Cabinet Office

Two policies of the Office of the Third Sector in the Cabinet Office are also relevant.

The Social Enterprise Action Plan: Scaling

New Heights said that community transport operated in markets where the main commissioner of services is the public sector and that policy makers should be aware of the substantial public benefits of engaging with social enterprises. Meanwhile, those commissioning public services should be aware of social enterprises as potential suppliers. Blockages to best practice delivery should be tackled effectively.

Partnership in Public Services: an action plan for the third sector, stated the potential across a number of sectors in the transport market for third sector suppliers to stimulate innovation, tailor local services and increase the responsiveness of services to users' demands.

Both publications included case studies on community transport, as did the HM Treasury and Cabinet Office's report of “The future role of the third sector in social and economic regeneration” published in July 2007.

Other relevant policy developments

It is also worth noting here the development of the Compact – the “contract” between local government and the third sector – and the government's emerging personalisation agenda, as both are relevant policies which will affect the community transport sector.

“ONE OF THE DfT'S FIVE AIMS IS TO PROMOTE GREATER EQUALITY OF OPPORTUNITY... WITH THE DESIRED OUTCOME OF ACHIEVING A FAIRER SOCIETY”

SUMMARY OF FINDINGS: FIVE KEY THEMES

Five main themes emerged from our research. These are outlined over the following pages.

1 Strategic planning by local transport authorities

Our findings demonstrate that 75.8% of local transport authorities (outside London) have a community transport strategy. In most cases the strategy was contained within their local transport plan (LTP2).

The CTA's experience demonstrates that a strategic approach to community transport enables an authority-wide view of community transport and identifies capacity and capability building issues, gaps in provision and encourages the development of standards. A strategic approach also enables the local transport authority to bring together all providers of community transport to speak with "one voice" which aides the whole planning process and ensures effective consultation is achieved. The next generation of local transport plans (LTP3s) will require all local transport

authorities to set out how they are responding to the DfT's strategic objective "to promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society" and recommends that they consult on the LTP3 with the voluntary sector in their area, which obviously includes community transport organisations.

We were encouraged that the DfT is developing web-based resources which include information on community transport to accompany guidance for local transport authorities on producing LTP3s.

It is often cited that the lack of information about accessible transport services is one of the barriers for older people and people with disabilities to use transport services. There is no doubt that the availability of a directory is a very useful source of transport information for community transport passengers and potential users.

2 The Local Transport Act 2008

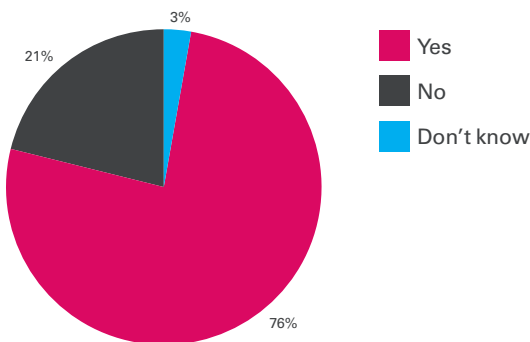
The new provisions for community transport

contained in the Local Transport Act 2008 are seen by many local transport authorities as significant in creating new opportunities for the sector, with more than half planning to take advantage of the new regulations.

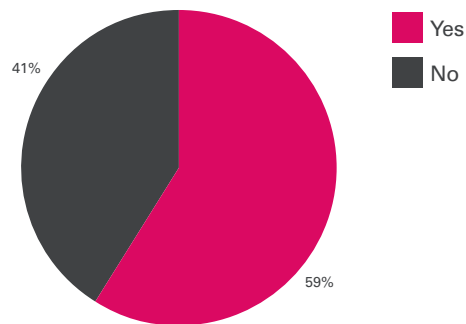
The Local Transport Act 2008 gives community transport organisations greater freedom and more choice as to how they can work with local transport authorities to deliver even better public transport services.

It is evident that the majority of local transport authorities believe it is important to consult about the potential of the changes introduced by the Local Transport Act 2008. Most local transport authorities support local consultation and the need to maintain good communication with community transport organisations. It was also reported that some local transport authorities engage with their community transport organisations on a monthly or quarterly basis at forums and meetings.

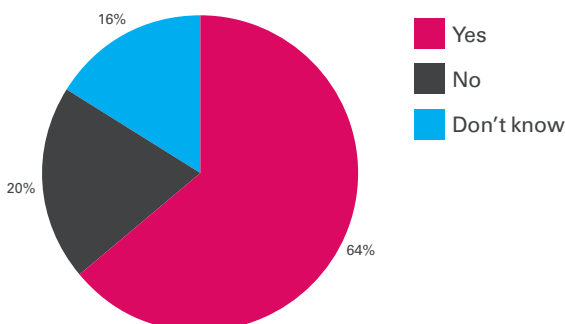
Proportion of local transport authorities (outside London) that have a community transport strategy



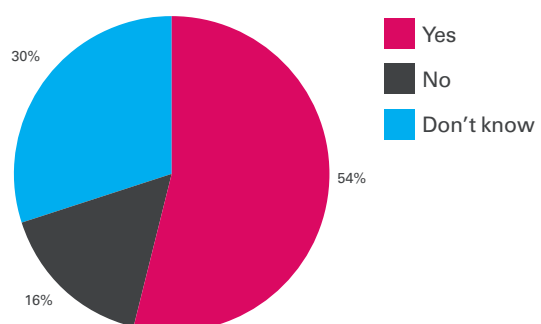
Proportion of local transport authorities (outside London) that have a community transport directory



Local transport authorities (outside London) planning to discuss changes to section 19 and section 22 with community transport organisations



Local transport authorities (outside London) planning to take advantage of the Local Transport Act in relation to the operation of section 19 and 22 services



SUMMARY OF FINDINGS: FIVE KEY THEMES

3 Financial arrangements

The most common financial relationship between local transport authorities and community transport organisations is through a service level agreement.

The findings also show that many community transport organisations still rely heavily on grants. We believe that grants are still a necessary part of the funding mix for many organisations.

Although the tendering approach is used for determining 'mainstream' local bus service contracts, it may not be appropriate for community transport organisations in many circumstances. Other than for small-scale operations, the service level agreement approach is preferable because it provides a clear framework and understanding between both parties to the agreement.

Due to the diverse size and nature of community transport organisations it is

important to have mixed funding streams available for them to draw upon.

(Many local transport authorities provide financial support for community transport organisations using a range of funding approaches, including the provision of benefit in kind. Further analysis of the direct concessionary travel reimbursements is provided later.)

Our research demonstrates that the majority of local transport authorities do not provide any annual capital support to the community transport sector. This illustrates the need for community transport organisations to develop fundraising strategies to replace their vehicles.

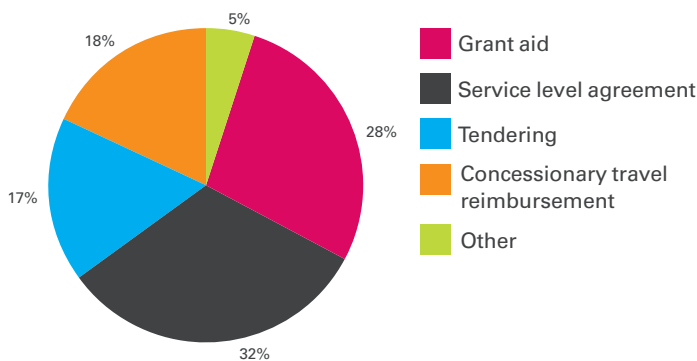
The desire to introduce expensive low-floor minibuses to the community transport market and the likely reduction in the number of accessible minibus suppliers as a result of the economic recession will add to

the cost of replacing vehicles. Community transport organisations may need to explore whether there is an alternative way of meeting local transport needs without running their own fleet of vehicles. Experience elsewhere would suggest that this can be done through sub-contractual arrangements with other local suppliers or by establishing a brokerage facility.

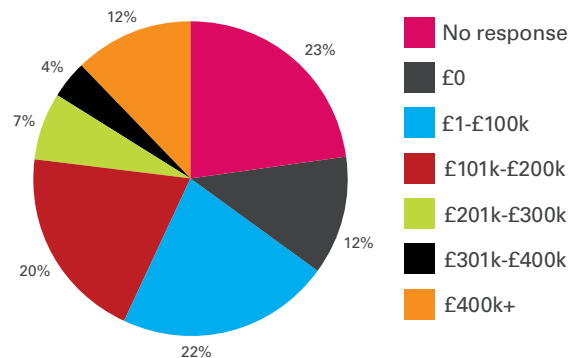
The majority (59%) of local transport authorities contribute some revenue funding for community transport organisations. The role that the local transport authority plays in financing community transport highlights the importance of maintaining good relations and aligning objectives between both parties.

We know from experience that in many cases there are a number of other bodies, such as district councils, primary care trusts, the lottery, charitable trusts and regional development agencies, providing revenue support to community transport

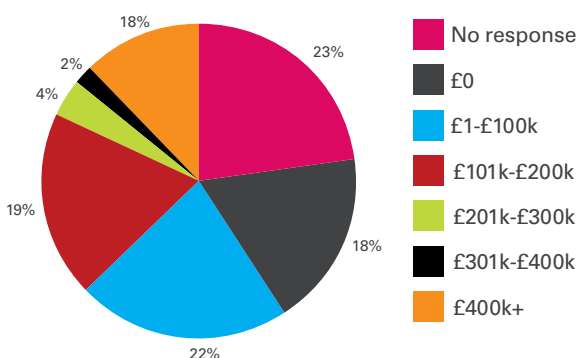
Local transport authorities' financial relationships with community transport organisations (outside London)



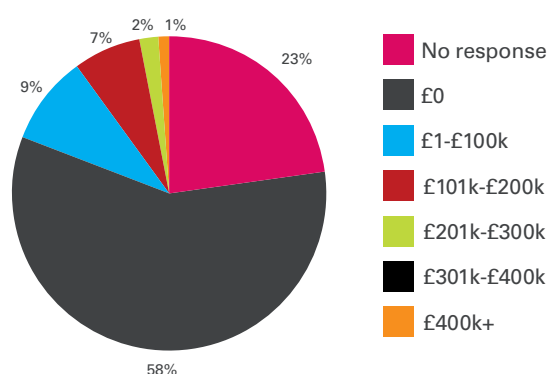
The percentage of local transport authorities (including London) that provided the various levels of total annual spend for community transport in 2008/09



The percentage of local transport authorities (including London) that provided various levels of annual revenue for community transport in 2008/2009



The percentage of local transport authorities (including London) that provided various levels of annual capital to community transport in 2008/09



SUMMARY OF FINDINGS: FIVE KEY THEMES

organisations. Many community transport organisations also have a number of other sources of revenue including fares from users, concessionary fare reimbursement, BSOG and income from trading.

The majority (65%) of local transport authorities (including London) allocate some level of funding to community transport organisations. The amount of funding varies from area to area, based on the variation between local priorities and the extent and scope of community transport organisations in the area.

(The financial information collected in the survey refers to direct funding for community transport services, and excludes income from contracted education or social services transport for the local transport authority, etc.)

In the current funding climate there will be a greater onus on community transport organisations to demonstrate that they are meeting local needs in a distinctive way which also provides good value for money. The CTA believes that the development of a robust business case for delivering a local service, which receives the appropriate financial subsidy to cover all the costs, will enable community transport organisations to better plan their future direction.

4 Procurement

Our survey shows that it is a relatively even split as to whether local transport authorities anticipate the nature of their financial relationship with community transport organisations will change in the future.

Although a large number of community transport organisations have successfully delivered public services for many years funded by grants from local transport authorities, more recently we have seen a shift from grants to contracts or service level agreements.

This has brought procurement processes to the forefront of the debate about the community transport sector's role and opportunities in the public service delivery market. The CTA knows from working with members that some community transport organisations (especially smaller ones) feel the way procurement processes are structured puts them at a disadvantage and makes it difficult for them to win contracts for the delivery of services that they have been effectively providing for years.

Some local transport authorities indicated that they would like community transport organisations to become less reliant on grants, some are looking at different commissioning arrangements, and others indicated that they would like funding to be more closely linked to outcomes. Some local transport authorities were keener on a more prescriptive service level agreement and others would prefer to have a larger budget to purchase additional community transport services.

It is evident from the survey responses, however, that many local transport authorities are content with awarding grants.

There is an almost even split in terms of local transport authorities awarding

and not awarding tendered contacts to community transport organisations. Many of the community transport organisations that were awarded contracts were on the tender list of their local transport authority. A few community transport organisations provide school transport services and some others provide demand responsive transport under contract.

Generally, our research showed local transport authorities felt certain issues needed addressing before their relationship with community transport organisations could evolve. They cited specific skills gaps within community transport organisations, quality management issues and resistance to change stemming from the culture of the organisation. We believe this can be addressed by the introduction of a CTA quality mark.

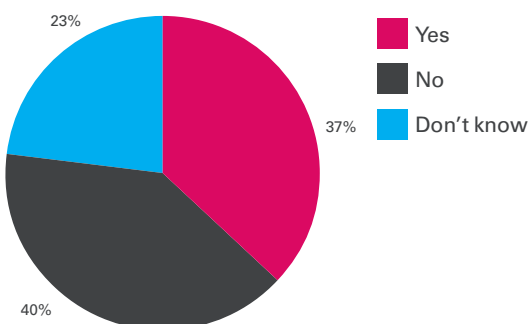
We believe that local transport authorities should not be put off providing grant funding for community transport organisations where this is an appropriate and effective way of delivering services to the communities they serve. Grant funding can be provided in a transparent way so that it cannot be confused with the awarding of a contract.

5 Concessionary fares

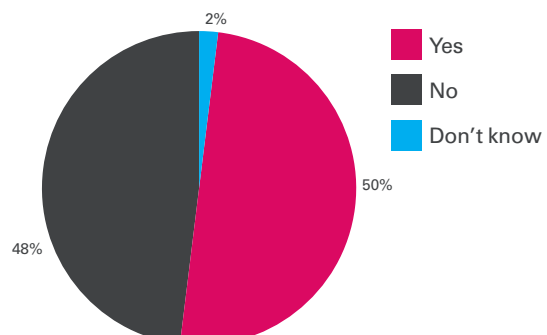
Bus travel remains the most used form of public transport, especially by older people, but to be effective it needs to be available, affordable and accessible.

Isolation, disability, age and lack of accessibility prevent many people

Percentage of local transport authorities (outside London) which anticipate their financial relationship with community transport organisations will change



Local transport authorities (outside London) that have awarded tendered contracts to a community transport organisation



SUMMARY OF FINDINGS: FIVE KEY THEMES

accessing services. Concessionary bus travel aims to redress the social exclusion that these barriers present by offering discounted travel on registered local public bus services in all areas and, in some areas, by extending discounts to other services such as community transport and rail travel. Since the implementation of the Concessionary Bus Travel Act in England in 2008, all older and disabled people are entitled to free off-peak travel on registered local bus services.

The CTA was surprised by the statistic that 71% of the authorities surveyed contribute to some concessionary travel reimbursement on community transport as it does not correlate with anecdotal evidence presented to CTA on a frequent basis. We believe there are a number of issues underlying this discrepancy, including:

- > many of the authorities who contribute only do so on a partial basis.
- > in any given area, not all operators necessarily receive a contribution.
- > the discretionary nature of authorities' contribution means it can vary over time.

- > some authorities may consider grants to community transport as a contribution to concessionary travel.

We intend to explore the nature and level of reimbursement of concessionary travel to community transport operators in more depth in future State of the Sector reports in order to better understand the above issues and develop a clear and accurate picture of the relationship between concessionary travel and community transport.

Registered local bus services run under section 22 have a statutory entitlement to receive reimbursement under the local concessionary fares scheme. However, some local transport authorities indicated that they do not use their discretionary powers to extend the service to community transport because the administration of the scheme would be too complex.

Some local transport authorities stated that the inclusion of concessionary fares on community transport services is only temporary as part of an experiment to highlight the potential number of beneficiaries. Other local transport authorities offer free travel on dial-a-ride services.

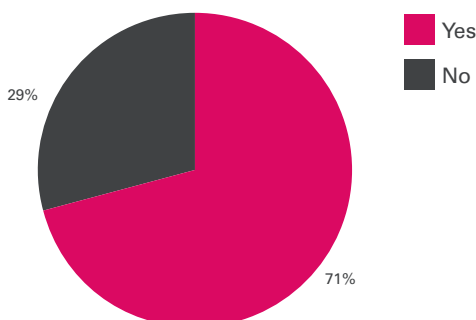
According to some local transport authorities, concessionary fare reimbursement differs across the districts. For example, Norfolk comprises seven districts, but only four districts allow concessionary fare reimbursement for community transport organisations. A number of local transport authorities allow community transport inclusion in their scheme through community car schemes and travel/mobility vouchers.

Concessionary bus travel continues to be an issue that presents difficulties for many users of community transport. Most community transport services are not registered local bus services, and are therefore not reimbursed for providing transport to passengers eligible for concessionary travel. There are a number of issues that we are concerned about and we are continuing to campaign for changes to be made to the concessionary fares system.

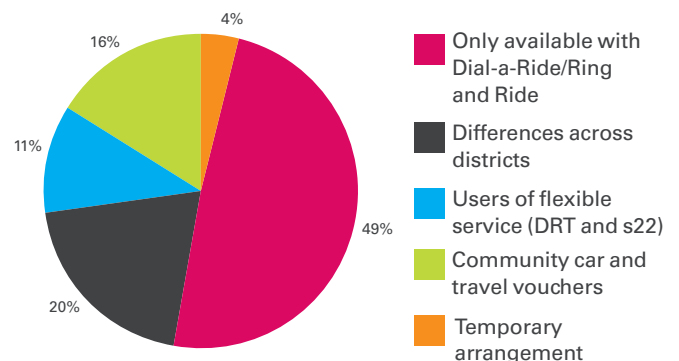
Based on expenditure returns from local authorities in 2007/08 and taking into account the additional special grant for the national scheme, the DfT believes spending on concessionary travel in 2008/09 was around £1 billion.

“BUS TRAVEL REMAINS THE MOST USED FORM OF PUBLIC TRANSPORT, ESPECIALLY BY OLDER PEOPLE, BUT IT NEEDS TO BE AVAILABLE, AFFORDABLE AND ACCESSIBLE”

Proportion of community transport organisations that receive reimbursement from the concessionary fares scheme (outside London)



Availability of concessionary fares on different types of community transport (outside London)



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