

THE CTA STATE OF THE SECTOR REPORT FOR SCOTLAND 2012

The first national survey of the size and scope of Scotland's community transport sector



**Community
Transport
Association**

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ABOUT THE CTA

The CTA:

- is a UK-wide charity providing leadership, learning and support to member organisations, which in turn deliver innovative and flexible transport solutions to achieve social change in their communities.
- represents the voice of the sector to governments and to other major stakeholders, highlighting the importance of community transport for vulnerable individuals and isolated communities, the contribution which community transport can make both locally and nationally, and the issues which need to be tackled if the sector's potential is to be realised.
- promotes excellence by providing a range of services and support, including advice, training, e-based resources, publications, consultancy, events and project support for voluntary, community and accessible transport.

The CTA therefore aims to strengthen the work of our members, which include voluntary and community organisations, charities, social enterprises, co-operatives and mutuals, by creating an environment in which they can prosper and deliver high quality services to the people and communities who rely on community transport for their needs. We also wish to reach out and support other civil society organisations which may not see themselves as providing community transport, but which nevertheless operate transport to meet their own purposes.

In Scotland, the CTA represents the interests of voluntary and community transport providers to the Scottish Government and also promotes community-based transport more widely. We are available to provide information and guidance to anyone with an interest in community transport. We enable Scottish operators to remain up to date with developments which affect them directly or indirectly via regular e-bulletins, meeting with groups of operators, an annual event in Scotland as well as occasional roadshows and other one-off events.

ABOUT COMMUNITY TRANSPORT

Community transport is safe, accessible, cost-effective, flexible transport run by the community for the community.

Community transport shows what can be done when people take responsibility for solving their own problems. It mobilises and engages local communities, as it is provided by charities and voluntary organisations (which are often very small and local), and harnesses the experience and energy of volunteers who give freely of their time to help others.

Community transport is about freedom and fairness of opportunity. It meets the needs of people who do not have access to cars, taxis or buses and provides a lifeline in both rural and urban areas. It takes disabled people to work, children to school, sick people to healthcare and older people to the shops. It runs local bus routes and provides transport for a wide range of clubs, voluntary bodies and care homes.

People shape the services they want and community transport makes it happen.

Community transport organisations possess a number of attributes which distinguish them from other passenger transport providers, as follows:

- they are voluntary sector organisations embedded in their local community.
- they provide safe, accessible and affordable transport solutions to meet local needs.
- they are community-owned, user-friendly and voluntarily managed by local people.
- they are inclusive and non-statutory, with a strong social ethos.
- they are non-commercial and non-profit distributing.

Services provided by community transport

Community transport organisations are not homogenous. There are many levels of operation, from small to large, and from those that rely solely on volunteers to those that have large numbers of staff. The size and scale of the operation aims to be appropriate to local needs.

Although individual organisations often provide a different mix of services, the community transport sector's 'menu', taken as a whole, is wide-ranging and includes:

- Community car schemes, with volunteers driving their own cars in return for mileage expenses. This is a demand-responsive, flexible and accessible transport service for individuals and groups who cannot access public transport due to mobility, illness, infirmity or restricted access.
- Group travel services and door-to-door dial-a-ride services for individuals, using minibuses operated under section 19 minibus permits.
- Wheels to Work, hiring mopeds and bicycles and providing other transport services to enable people to get to work or apprenticeships, or to training that will lead to employment and long-term careers.
- Contracted 'assisted travel' services, such as home-to-school, non-emergency patient or social care transport, operated on a non-profit distributing basis, with the same minibuses then used for community benefit outside the contracted hours.
- Demand-responsive or fixed route transport services, operating where commercial bus routes are not viable.

WELCOME

INTRODUCTION

This is the first CTA State of the Sector Report for Scotland.

In August and September 2011 the CTA conducted a wide-ranging survey which involved telephone interviews with the 80 largest community transport organisations in Scotland.

The data collected gives an up to date picture of the size and scope as well as the current environment for community transport in Scotland.

However, beyond the largest 80 organisations there are more than 100 small groups run entirely on a voluntary basis. These are harder to reach but they also provide local transport to isolated people. We have been unable to gather data on these groups, so the information within this report about volunteers, the value of time given, the number of passenger journeys provided, etc, is an underestimate.

RECOMMENDATIONS

This survey demonstrates that community transport is a crucial service for thousands of older and disabled people across Scotland. It combats isolation by enabling these people to meet their friends and family, to get out to day care centres, health care appointments and to do their shopping.

Our findings show that times are tough for community transport organisations in Scotland and we know that funding pressures are likely to continue for some time. With an ageing population, the need for community transport will increase, particularly if supported bus services decline.

With little prospect of public finances improving in the near future, this could be the time for communities themselves to play a bigger part in generating their own local transport provision.

However, community activists will need to feel confident that setting up and running a community-based transport service is possible and sustainable.

The following interventions will help:

- In accordance with the Christie Commission recommendations (see pages 6-7), local authorities should develop strategies to enable their local communities to design and implement local transport services.
- Where NHS patients experience non-emergency transport problems, NHS bodies should develop a strategic approach to the best use of community transport to address these problems including how such services should be financed.
- Transport service commissioners should review transport contracting so that the quality of service provided has a higher weighting, include community benefit clauses where appropriate, and make the tender process proportionate for small community transport operators.
- The Scottish Government should consider extending the Scotland-wide bus concessionary fare scheme to section 19 community transport services which have a separate fare model so that the concession can be used by those who need it most.

£10m

is the annual income of the community transport sector in Scotland

19

community transport organisations have an annual turnover greater than £100,000

£660,000

is the total amount claimed by the sector via Bus Service Operators Grant each year

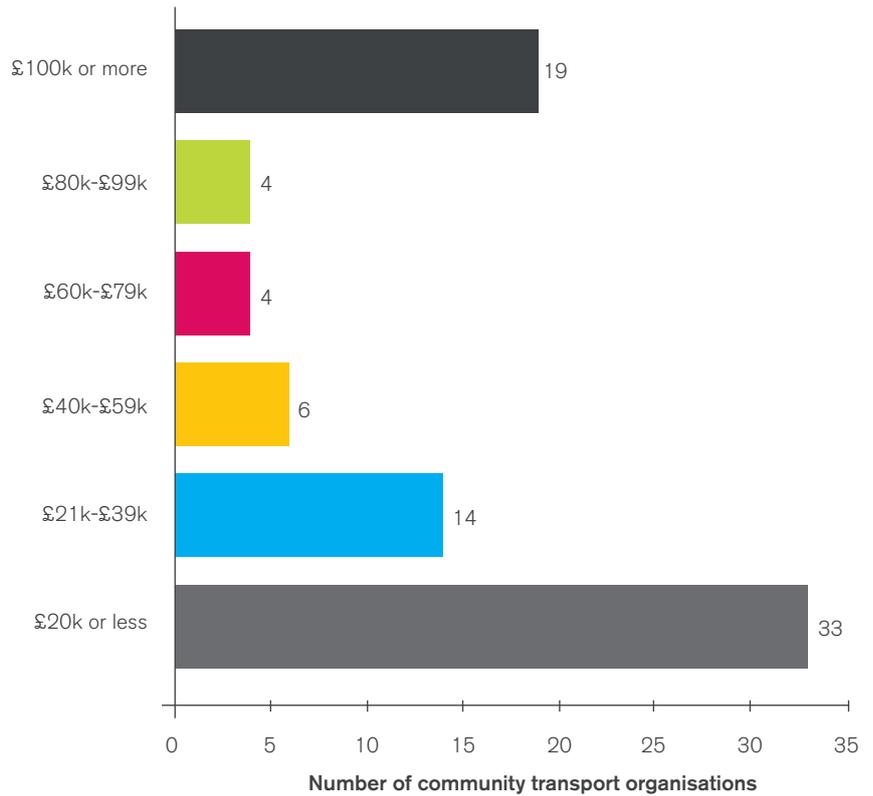
KEY FINDINGS

FINANCIAL VALUE

- The community transport sector in Scotland has a combined income of £10 million a year.
- Most of this income is generated by a small number of organisations. Nineteen organisations have a turnover greater than £100,000 per annum (and of these, three turned over more than £0.5m). One in three community transport organisations in the survey has a turnover of less than £20,000 per annum. Thus the community transport sector in Scotland is largely characterised by a large number of very small organisations.
- 30% of the income to the community transport sector comes from grants from statutory bodies. 70% is generated from income earned from fares, hire of vehicles, contracts and fundraising. There has been a shift towards earned income with less grant aid in recent years but organisations which receive grants indicated that this was still crucial to their survival.
- 126 community transport operators claim an annual total of £660,000 from the Scottish Government's Bus Service Operators Grant scheme which, under the rules at the time of the survey, refunds some of the fuel duty paid by bus operators. From April 2012 the scheme will change towards providing payments based upon distance travelled rather than fuel consumed. This will be of particular assistance to rural services.

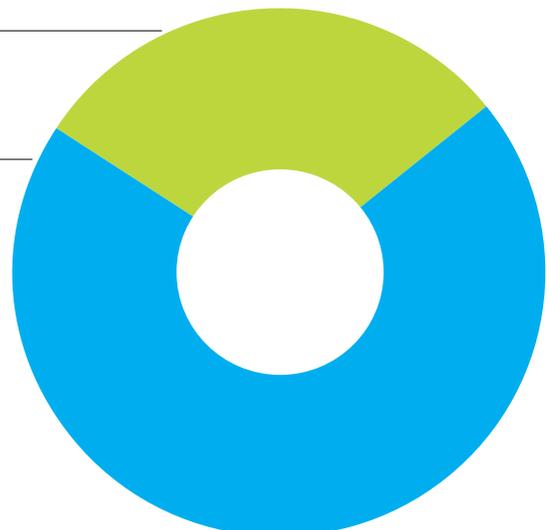
TURNOVER OF SCOTLAND'S TOP 80 COMMUNITY TRANSPORT ORGANISATIONS

Annual turnover



THE SECTOR'S SOURCES OF INCOME

- 30% – grants from statutory bodies
- 70% – fares, vehicle hire, contracts and fundraising



VOLUNTEER CONTRIBUTION

- At least 2,500 people volunteer their time with the community transport organisations we spoke to.
- The time given by these volunteers amounts to 278,500 hours annually.
- This time is worth almost £1.7 million a year if one hour of volunteering is valued at the minimum wage rate.
- The number of volunteers involved in transport and the value of their work is far greater than the above as there are many other small groups run entirely by volunteers which are hard to reach and therefore did not take part in this survey.

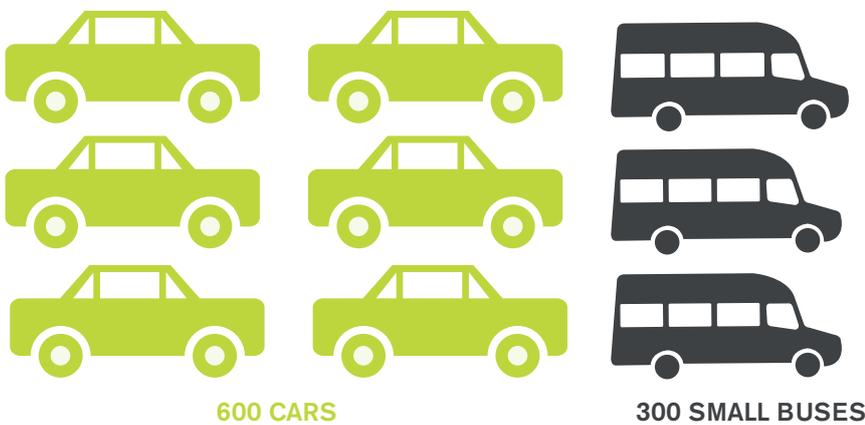
OPERATING ENVIRONMENT

- 70% of community transport operators say they cannot plan their business for more than one year ahead. This is due to the short-term commitment shown to them from key funders.
- 60% of Scottish community transport services were formed during the years when there was central government support for the sector. Only nine new groups have formed in Scotland since 2008 when the Rural Community Transport Initiative and a support programme for schemes in urban areas both ended.

SERVICE PROVISION

- Community transport operators provide over 3.5 million passenger journeys each year.
- The community transport sector in Scotland owns or has access to 900 vehicles. One third are small buses and two thirds are cars.
- Community transport organisations employ around 400 people, of whom two-thirds work part time.
- More than 80% of passengers of community transport are older and/or disabled people.
- Community transport is used by over 4,000 community groups and more than 30,000 individuals are registered members of community transport operators. A reasonable estimate is that at least 100,000 people use community transport in Scotland.
- The two most common purposes for which community transport is used are social outings and attendance at day care centres. Shopping and access to health services are the next most common uses for community transport.
- 11 community transport operators in Scotland have operator’s licences. 22 operators have section 22 permits which allow them to carry the general public. Around 90% of the sector has a section 19 permit which allows them to carry socially excluded people but not the general public.

VEHICLES USED BY THE SECTOR



LICENCES AND PERMITS USED BY SCOTLAND’S COMMUNITY TRANSPORT ORGANISATIONS

(note: organisations may have more than one of each type of licence or permit)



THE CURRENT ENVIRONMENT FOR COMMUNITY TRANSPORT IN SCOTLAND

RISING DEMAND FOR COMMUNITY TRANSPORT

Major constraints on public spending are taking place at the same time as the demand for public services is set to rise due to new demographic and social pressures.

There is a huge growth in the number of older people forecast for the near future. Scotland's population of people aged 65 years and over will rise by 22% by 2020 and by 63% by 2035. The number of people aged over 75 years will increase by 22% by 2020 and by 80% by 2035. Those aged over 85 years will increase by 39% over the next 10 years and by 147% over the next 25 years.

This means there will be a significant rise in the number of people living with long-term health conditions and so the demand for the services provided by community transport – which is used mainly by older and disabled people – can be expected to rise dramatically.

With the reduction in local authority subsidised bus services, particularly in rural areas, the need for community transport has never been greater. Local authorities are increasingly looking to the community transport sector to deliver locally-based services which are cost-effective, innovative and geared to the needs of the individual without compromising quality and safety.

In response to these needs, community transport organisations are able to operate registered community bus services which are open to all members of the public

and operate to a fixed timetable or on a more flexible basis. Fundamentally, these services, which are not for profit, play a vital role in promoting independence and tackling isolation.

THE ROLE OF COMMUNITIES, HEALTH AND SOCIAL CARE

In 2011, two important reports were published which support the case for exploring the potential of community transport. The report of the Commission on the Future Delivery of Public Services (known as the Christie Commission) recommended a 'bottom up' approach to service delivery where communities are more involved in the design and delivery of services. In relation to transport, the Christie recommendations lend themselves to looking more closely at how to enable communities to have more involvement in developing local transport services.

Audit Scotland also produced a report which highlighted the fragmented approach to transport services for health and social care and recommended that councils and NHS boards should consider community transport services as part of their overall strategy for commissioning transport services for health and social care.

NEW OPPORTUNITIES FOLLOWING LEGAL CHANGES

Changes to the legislation governing community transport in the Local Transport Act 2008 mean that more flexibility is offered today than in the past. Arguably, the most important change is with the section 22 permit which now offers a more realistic way in which

4,000

groups across Scotland use community transport services

3.5m

passenger journeys are provided each year by the organisations in our survey

community transport providers can run transport services for the general public or services under contract. With the growing pressures on funding of supported bus services, community transport routes can act as feeder services to mainstream services via section 22 permits.

The other key voluntary sector permit, section 19, now offers flexibility with the size of vehicle on which a permit is required – this offers the option of using smaller vehicles which may be a better approach to local transport in remote rural areas.

THE SOCIAL ENTERPRISE MODEL

In recent years there has been a major push in the voluntary sector towards a social enterprise model which encourages a diverse income base, a contractual approach and less dependence on public sector grants. The social enterprise model is certainly shaping today's community transport sector with a shift towards earned income as grants from public bodies have diminished.

Earned income may include fares, vehicle hire, contracts or fundraising. Though grant aid has fallen it is still crucial for many operators and many services would not be viable without this support. Local authorities are the most important source of grant aid for the sector as a whole but this is currently under pressure.

Non-emergency access to health services is a growing issue in Scotland as many people without transport are finding it

increasingly difficult to get to and from health services. The Scottish Ambulance Service has tightened its eligibility criteria in order to focus on emergency services. This means that it aims to provide 900,000 journeys per annum, which is 700,000 fewer journeys a year than it provided in 2007/8 and 1.5 million fewer journeys than it provided in 1997/98.

Community transport offers potential for greater involvement in carrying non-emergency patients but needs to be much better supported by the NHS in order to do so. Currently, the NHS does not have an overall strategic approach to working with voluntary and community transport providers and so the non-emergency services provided by the community transport sector are piecemeal.

Though contracting is slowly growing in the community transport sector, many operators find the procurement process tortuous and the bureaucracy is disproportionately high in relation to the value of contracts. Community transport's focus on the passenger and quality of service is at odds with transport contracting which too often rewards low cost but also low quality provision.

The issue of future sustainability is an important one for the sector, and the CTA believes that a balanced approach to grant support and social enterprise, plus encouraging a greater mix of funding to aid this is the right way forward.

There will always be a need for public sector subsidy for community transport, simply due to the nature of the services it provides and the inability of many disadvantaged client groups to pay fares based on full cost recovery.

However, more operators could consider their scope for providing services on a contract basis with local authorities and health boards in order to sustain themselves and we would encourage public sector bodies to engage in dialogue with our sector and ourselves to see how this could be developed further.

FREE TRAVEL

Most community transport services are currently ineligible for the Scotland-wide free bus travel scheme because the majority of services operate under a section 19 permit and therefore are not registered bus services. This means that despite holding the concession, some older and disabled people who can't use mainstream services have to pay for their community transport service.

There is a strong case for extending the scheme to section 19 services where individuals pay a fare and we would urge the Scottish Government to consider this. Services run under the other key voluntary sector permit, section 22, are eligible because they are registered bus services and therefore available for the general public but at the end of 2011 there were only between 20 and 30 such services in Scotland.

2,500

people volunteer for Scotland's top 80 community transport organisations

100,000

is at least the number of people who benefit from community transport in Scotland

£1.7m

is the annual value of community transport volunteers' time at minimum wage rates

ACKNOWLEDGEMENTS

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The survey was conducted by John MacDonald, the CTA's director for Scotland, and Sheila Fletcher, the CTA's network development officer for Scotland.

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