

# **CINDERELLA SERVICES: ACHIEVING SO MUCH FOR SO LITTLE**

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## **COMMUNITY TRANSPORT ASSOCIATION (SCOTLAND)**

### **INTRODUCTION**

*“We are clear that our system of public service delivery is in need of a significant trans-formation. Above all, we need to design and deliver services with and for people, rather than forcing people into pre-determined systems.”* - The Christie Commission Report into the future delivery of public services, June 2011.

This statement is as valid for passenger transport as it is for any other public service. Changing demographics show that the proportion of people over the age of 60 will constantly increase over the next 20 to 30 years and with age there is a general decline in mobility and also in eligibility to hold a driving licence. Conventional bus services are often not accessible and there is a growing demand for people requiring door to door services and assistance when travelling.

With this background something has to change if people are to have access to services and be socially included. In the spirit of the Christie Report, transport services need to reflect the needs of our communities not the needs of operators. Yet, the “bottom up” approach of involving communities is not the natural bedfellow for the traditional design and operation of transport services.

Communities can build their own resilience to the new economic realities by designing and running their own services including transport. Now, therefore, may be the time for transport policy makers to take a much closer look at how community transport can fit Scotland’s needs.

To assist with this thinking the Community Transport Association (CTA) has produced its first community transport State of the Sector report for Scotland, which is the basis of this paper. In August and September 2011 we conducted a survey which involved telephone interviews with the 80 largest community transport operators in Scotland. Beyond this there are over 100 additional small groups run entirely on a voluntary basis which are harder to reach but which also provide local transport to isolated people. The data collected gives an up to date picture of the current environment for community transport in Scotland though the data on volunteers and the value of time given is an underestimate as data has not been gathered on the smaller, hard to reach groups.

## **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 high standards 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.

## **WHAT IS 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 third 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-statutory, non-commercial and non-profit distributing.

## SERVICES DELIVERED BY COMMUNITY TRANSPORT

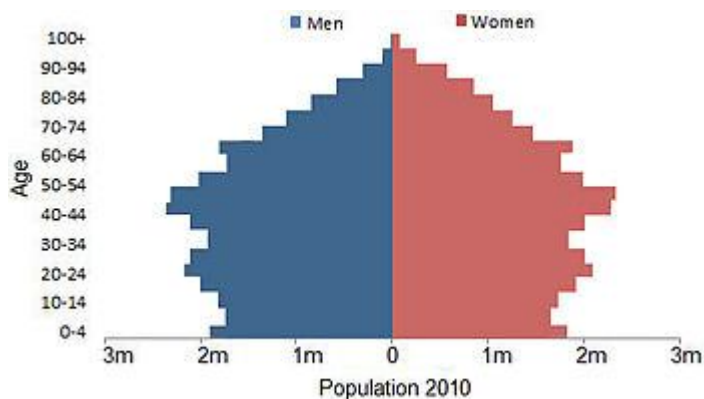
Community transport organisations are not homogenous. There are many levels of operation, from small to large, and from those that rely solely on volunteers to those that have large staff numbers. The size and scale of the operation aims to be appropriate to local needs.

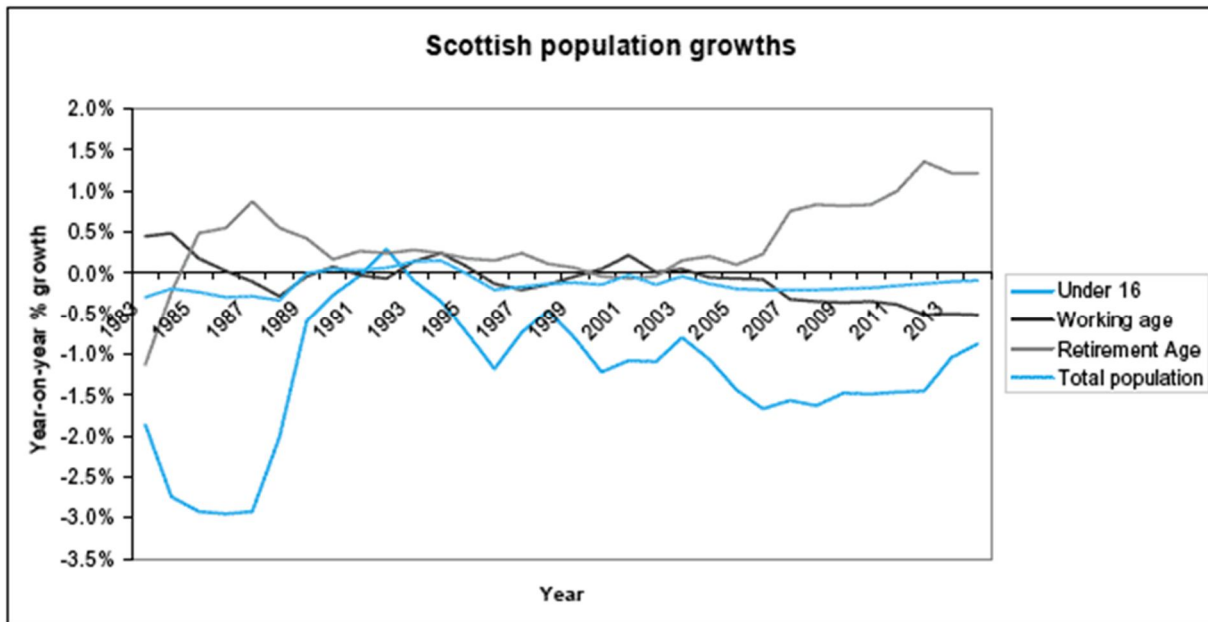
Although individual organisations often provide a different mix of services, the community transport sector's 'menu', taken as a whole, is wide-ranging. It includes the following:

- Voluntary car schemes, with volunteers driving their own cars in return for mileage expenses. It 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 transport, 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, filling the gaps between traditional stage carriage bus routes.

## CURRENT ENVIRONMENT FOR COMMUNITY TRANSPORT IN SCOTLAND

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. Scotland's population of people aged 65 years and over will rise by 22% by 2020 and by 63% by 2035. The population of 75 years plus will increase by 22% by 2020 and by 80% by 2035. The population of 85 years plus will increase by 39% over the next 10 years and by 147% over the next 25 years. This growth in the number of older people will lead to a significant rise in the number of people living with long term health conditions and so the demand for the kind of services provided by community transport operators – used mainly by older and disabled people - can be expected to rise dramatically.





Note 1.

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 non-profit distributing and cannot be operated where there is an existing commercial service, play a vital role in promoting independence and tackling isolation.

In 2011, two important reports were published which support the case for exploring the potential of community transport. The Christie Commission into the future delivery of public services recommends a “bottom up” approach to service delivery where communities are more involved in the design and delivery of services. In respect of 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 recommends 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.

Changes to the legislation around community transport in the 2008 Local Transport Act offer more flexibilities than in the past. Arguably the most important change is with the Section 22 permit which now offers a more realistic way in which 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, 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.

In recent years there has been a major push in the third sector towards a social enterprise model which encourages a diverse income base, a contractual approach and with 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. There is some support from NHS Boards also but this is relatively small across the sector as a whole. Non-emergency patient transport offers an opportunity for greater community transport involvement as the Scottish Ambulance Service has tightened its eligibility criteria in order to focus its resources on emergency services. However the NHS currently has no strategy on how to engage with the voluntary sector on transport and until it does so services will be 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 shoddy provision.

The issue of future sustainability is an important one for the sector, and we believe that a balanced approach to grant support and social enterprise and 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 look at the scope for the delivery of contracted services with their local authority as well as local health board to marginalise overheads, and we would encourage public sector bodies to engage in dialogue with the sector and ourselves to see how this could be developed further.

## **MAIN FINDINGS OF SURVEY**

### **FINANCIAL VALUE**

- Community transport has a combined income of £10 million in Scotland.
- Most of this income is generated by a small number of operators. 19 organisations have a turnover greater than £100,000 per annum. One in three community transport operators have 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 operators who 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 its current rules, refunds some of the fuel duty paid by bus operators

## **VOLUNTEER CONTRIBUTION**

- At least 2500 people volunteer their time with the community transport operators we spoke to.
- The time given by these volunteers amounts to 278,500 hours annually.
- This time is worth almost £1.7 million per annum 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 greater than the above as there are many other small groups run entirely by volunteers which are hard to reach and did not take part in the CTA survey .

## **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 operators employ around 400 people of whom two thirds work part-time.
- Over 80% of users of community transport are older and/or disabled people.
- Community transport is used by over 4000 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 Operators Licences. 22 operators have Section 22 permits which allow them to carry the general public. Over 90% of the sector has a Section 19 permit which allows them to carry socially excluded people but not the general public.

## **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 9 new groups have formed in Scotland since 2008.

## CONCLUSIONS

Looking ahead, although funding pressures are likely to continue for some time the need for community transport is likely to increase, particularly if supported bus services decline. People will still need access to services and isolation will create additional social care costs to the public purse. With little prospect of public finances improving anytime soon, this could be the time for communities themselves to play a bigger part in 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 this regard:

- In accordance with the Christie Commission recommendations, local authorities to develop strategies to enable their local communities to design and implement local transport services.
- Where NHS patients experience non-emergency transport problems, NHS bodies to 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 to 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.
- Scottish Government to 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.

## Notes

1. Information taken from Scottish Government publication “All Our Futures: Planning for a Scotland with an Ageing Population.”