



**Community
Transport
Association**

2012

The CTA State of the Sector Report for England

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*Department for
Transport*

About the CTA

The CTA:

- is a UK-wide charity providing leadership, learning and support to member organisations, which in turn deliver innovative solutions to meet the local transport needs of their communities.
- represents the voice of the sector to the UK's 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, online 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 which 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.

Thanks to our sponsors

The Department for Environment, Food and Rural Affairs: special funding has enabled us to carry out specific surveys and analyse existing data from different geographical perspectives.

The Department for Transport: as for previous State of the Sector reports the Department for Transport has provided practical and financial assistance.

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.

Foreword



I was recently asked what I hoped this report would achieve. My immediate reply was that it would raise the profile of community transport – what it is and what it can achieve – and that this would ultimately protect existing community transport provision while encouraging new forms of investment to develop more services for communities across England.

This report provides evidence of the continued growth of the community transport sector: in the face of today's tough challenges community transport organisations are exploring new ways of providing more services to more people. But if community transport organisations are to prosper into the future, there are three key issues that we need to keep in mind.

Firstly, funding. The financial support received from transport authorities is absolutely vital. And so too are the discretionary grants made by parish, town and district councils which secure the future of so many community car schemes and smaller community transport services, particularly in rural areas.

The recent investment from central government, as we have seen through the Department for Transport's £20m Supporting Community Transport Fund, has been a real boost. And the continuing significance of Bus Service Operators Grant to the 1,435 organisations which claim it can never be overstated.

I hope that this report will generate renewed interest from other funders, such as the Big Lottery Fund, charitable trusts and foundations. It should also provoke discussion with health authorities about the cost-effective way in which non-emergency patient transport can be delivered by community transport organisations.

Secondly, the legislative and policy context of our work is vital. At present, we are enjoying a favourable political environment. The CTA will be looking to see that the Public Service (Social Value) Act 2012 and the Localism Act 2011 are being embraced by transport authorities when

commissioning services. We want them to recognise the added value which community transport organisations bring. To me, this report will have achieved its purpose if just one local authority decides to have a fresh look at what community transport can achieve.

This report highlights the increased planning and collaborative working already taking place between community transport organisations and statutory bodies, and I would like to see more of it, particularly at transport authority level.

And thirdly, we cannot underestimate how crucial volunteering is. While at least 60,000 volunteers are active in our sector, more support is required and not just with driving. Help with administration, finance and governance is also needed and I hope that this report will inspire other organisations to think about volunteer placements with community transport organisations.

The CTA is committed to building a stronger evidence base to demonstrate the crucial work that community transport organisations carry out every day of the year (some even work on Christmas Day to ensure that people can get out and about to celebrate with friends and family). We want to see continued investment in the sector, backing from ministers and councillors, plus a strong and dedicated volunteer force.

This report is proof of our commitment to the sector's future and I hope that you will use it to raise the profile of community transport and help us to secure the investment we need if we are to continue our growth, while protecting existing services in the communities we serve.

Keith Halstead Chief executive, CTA

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“ The CTA is committed to building a stronger evidence base to demonstrate the crucial work of community transport organisations

About this report

This is the third State of the Sector Report for England published by the Community Transport Association (CTA). We also publish similar reports for Northern Ireland, Scotland and Wales.

The aim of these reports is to build an increasingly detailed picture of the size and scope of the community transport sector. Just a few years ago there was very little data available – we knew community transport was a vital service, providing transport for the most vulnerable and isolated people across the UK, but we had little proof of its scale. The publication of this third report for England builds on our first two reports and provides a good deal of valuable new information.

This report focuses in particular on rural areas and we are grateful for the support that we have received from the Department for Environment, Food and Rural Affairs (Defra) to do this. Defra and the CTA recognise that there are specific issues facing community transport providers in rural areas which differ from those in urban areas and have sought to understand the nature of these issues and how we can support the sector in addressing them. As for previous reports, the Department for Transport has also generously supported us and there is useful analysis here about the community transport sector as a whole.

Fast facts

- There are at least **2,000** community transport organisations operating across England: nearly one-third of them are based in rural areas.
- The sector provides **15 million-plus** passenger journeys each year: 7 million in urban areas and 8 million in rural areas.
- At least **42,000** voluntary groups use community transport every year.
- There are more than **60,000** volunteers in community transport: 12,000 of them in urban areas and 48,000 in rural areas.
- At least **10,600** people work in the community transport sector: 9,500 are based in urban areas and 2,000 in rural areas.
- The most common services are group transport, community car schemes and door-to-door transport, but community transport organisations also provide a wide range of other services including community bus services, wheels to work schemes, driver training and even furniture recycling.

KEY FINDINGS

The sector as a whole

Community transport is growing.

A number of factors point to this:

- > The number of community bus permits issued rose from 10 in 2008/9 to 148 in 2011/12.
- > The number of section 19 permits issued rose from just over 4,000 in 2007/8 to more than 5,500 in 2011/12.
- > The total amount of BSOG claimed by community transport organisations grew by 16% between 2009/10 and 2010/11.

Remarkable growth has occurred in community bus services.

In addition to the rise in permit applications over the past three years mentioned above:

- > In 2009, 9% of transport authorities reported the use of section 22 permits. In 2012 this had more than tripled to 31%.
- > In June 2012 there were 220 registered community bus routes in operation.

Bus Service Operators Grant is a crucial and growing funding stream.

On top of the 16% rise in total claims mentioned above:

- > The average amount of Bus Service Operators Grant (BSOG) claimed by community transport organisations rose by 8% between 2009/10 and 2010/11.
- > 8% more community transport organisations claimed BSOG in 2010/11 than in 2009/10.

There is a large difference in size and capacity between community transport organisations.

- > The largest 10% of organisations carry out about 65% of all passenger trips
- > The smallest 50% of organisations carry out about 4% of all passenger trips.

Community transport organisations are working together more.

- > 89% of transport authorities reported that some form of local transport forum or network meets locally: 15% of these are a formal legal entity while 70% have a more informal forum.

The number of community transport strategies held by transport authorities has fallen.

- > 66% of transport authorities have a community transport strategy in 2012, falling from 75% in 2009.

Transport authorities tender services to community transport organisations more frequently today than three years ago.

- > In 2009, 36% of transport authorities reported that they tendered services to community transport organisations. This rose to 56% in 2012.

KEY FINDINGS

Rural compared with urban

The most remote rural areas have more community transport organisations per person than urban areas.

- > Urban areas have an average of 13 primary organisations (with community transport as their main focus) per million inhabitants.
- > Less isolated rural towns ('less sparse') have an average of 28 primary organisations per million inhabitants.
- > Less isolated rural villages and hamlets ('less sparse') have 32 primary organisations per million inhabitants.
- > The most isolated ('sparse rural and urban') areas have on average 75 primary organisations per million inhabitants.

Rural community transport organisations tend to be smaller scale operations than their urban counterparts.

- > Organisations in predominantly urban areas undertake about twice as many passenger trips as those in predominantly rural areas.

Community car schemes are more prevalent in rural areas than in urban areas.

- > Predominantly rural areas have nearly seven times as many community car schemes as urban areas.

Rural organisations rely upon passenger fares to fund their services far more than urban organisations.

- > Predominantly urban areas receive 13% of their income from fares.
- > Significant rural areas receive 30% of their income from fares.
- > Predominantly rural areas receive 41% of their income from fares.

Rural organisations receive less of their income from grants than urban organisations.

- > Predominantly urban areas receive 44% of their income from grants.
- > Significant rural areas receive 27% of their income from grants.
- > Predominantly rural areas receive 17% of their income from grants.

The proportion of organisations' income received from contracts is similar in urban and rural areas.

- > Predominantly urban areas receive 39% of their income from contracts.
- > Significant rural areas receive 33% of their income from contracts.
- > Predominantly rural areas receive 35% of their income from contracts.

Transport authorities have cut their spend on urban organisations by one third over the past three years while the amount spent on rural organisations has remained stable.

- > Organisations in predominantly urban areas have seen their average annual income from transport authorities drop from just over £2,000 per thousand residents in 2008/9 to just under £1,400 in 2011/12. This is a drop of one third.
- > The spend on rural organisations has remained at just over £700 per thousand residents. This may have been bolstered by the government's Supporting Community Transport Fund, which focused support on rural areas.

Rural organisations receive half as much funding from transport authorities as urban organisations.

- > The average spend per thousand residents for urban organisations in 2011/12 was just under £1,400.
- > The average spend per thousand residents for significant rural and predominantly rural areas in 2011/12 was just over £700.

Rural areas are more likely than urban areas to secure some form of funding from bodies other than transport authorities, such as parish or town councils.

- > In predominantly rural areas 67% of transport authorities reported that parish or town councils funded community transport in their area.
- > In significant rural areas this was 44%.
- > In urban areas this was 12%.

Volunteers are crucial to community transport organisations, with community car schemes in rural areas, in particular, relying on volunteer effort.

- > A community car scheme in an urban area has an average of 42 volunteers.
- > A community car scheme in a significant rural area has an average of 94 volunteers.
- > A community car scheme in a predominantly rural area has an average of 23 volunteers.
- > Only 9% of community car schemes in rural areas employ even one part time employee, while 33% of urban community car schemes do.

Please refer to the Methodology and Glossary on page 22 for more about the research and definitions used throughout this report

Community transport today

In the face of many challenges, community transport organisations are providing new services and exploring different approaches to getting people out and about. Here's a snapshot of today's state of the community transport sector

Community transport is a vital part of the transport mix. It ensures that the most vulnerable people – those who can't use conventional public transport because they are elderly, disabled or ill – can get out and about. It combats isolation by providing transport in areas where no other transport exists. Without it millions of people would not be able to get to the shops, to visit their friends, to access healthcare or even go to work. And community transport is a key part of what the government calls the Big Society – all community transport organisations are civil society organisations, often relying upon volunteer effort and local fundraising.

Today's tighter public funding environment means that community transport is facing a big challenge to play its part in keeping the country moving. Local bus services, particularly in rural areas, are disappearing as local authorities withdraw subsidies and reconfigure services. According to the House of Commons transport select committee report, Bus Services After the Spending Review, published in August 2011, England's bus services (outside London) are facing cuts especially to rural, evening and weekend services. Committee chair Louise Ellman said: "We know that over 70 per cent of local authorities have moved rapidly to reduce funding for supported bus services, forcing most operators to withdraw services and/or push up fares as the English bus industry adjusts to the greatest financial challenge it has faced for a generation."

Our report, along with anecdotal evidence and case studies, shows that community transport organisations – in spite of their own difficulties (of which more later) – are being innovative, taking new approaches and working with others to get people where they need to go, whether they live in a farmhouse at the end of a muddy track or the top of a city-centre tower block.

The recent increase in community bus services is a good example to begin with. Community transport organisations are stepping in to provide transport where commercial bus operators have withdrawn unviable services, perhaps following loss of subsidies or lack of passengers.

01 *In Gloucestershire, four community transport organisations are introducing new community bus services to replace commercial routes that have been cut. The county council is actively encouraging their work and the services are being partially funded by local developers (via section 106 of the Town and Country Planning Act where developers are obliged to invest in local services as part of a planning permission agreement).*

Previous experience in the area shows that where a community transport organisation runs a replacement to a scheduled bus service, the community transport organisation can grow demand through paying careful attention to the requirements of the passengers.

The community transport sector involves tens of thousands of volunteers. This report shows that volunteers are vital, with community car schemes in rural areas in particular relying on their efforts as drivers.

02 *There used to be six separate community car schemes based around different market towns in North Yorkshire. As demand grew, some of the schemes decided that joining forces to share the overheads would make them more efficient and in 2011 four of the organisations formed Hambleton and Richmondshire Community Car Scheme.*

Today the scheme covers 1,000 square miles of sparsely populated rural area. Between 70 and 100 volunteer drivers provide 18,000 passenger trips a year, taking elderly and disabled people to hospital, to the shops and to visit friends.

Some community transport providers are working in partnership with hospitals and other health providers to provide transport to help get people to health appointments. The health services recognise the savings to be made by avoiding missed appointments and the improved health outcomes from prompt treatments as is demonstrated in the next example.

03 *In June 2012, transport minister Norman Baker launched the new South Staffordshire Connect bus service, run by the social enterprise Community Transport on behalf of Staffordshire County Council. The door-to-door accessible service also receives funding from a clinical commissioning group of local GPs as a response to cuts in rural bus routes by commercial operators.*

Dr Tim Dukes, chair of the clinical commissioning group, said: "Transport in rural areas can be a real problem, especially if you have no access to a car or if you have mobility problems. In turn, this can lead to difficulties in accessing services, including health. For those patients in particular...this should mean a better quality of life."

Over the past few years there has been a noticeable rise in community transport organisations working together more to share expertise, develop their skills and increase their impact. Our report shows that nearly all transport authority areas now have a group of community transport organisations that meet together, whether via formally constituted legal entities or informal groups.

04 *In 2011, spearheaded by the county council, Norfolk's community transport organisations began to develop a county-wide association which now has its own charitable status and a full-time co-ordinator. The association focuses upon and creates expertise for common functions such as human resources, procurement and business development, allowing the community transport organisations to concentrate on service delivery and looking after their passengers.*

A volunteer recruitment drive, carried out last year by the association and the council, led to more than 100 new volunteers for the community transport organisations.

Community transport organisations are proud of their ability to deliver added value. So rather than just dropping an elderly lady at the end of her garden path, community transport drivers and passenger assistants are trained to help the passenger off the vehicle safely with her shopping or other luggage. Furthermore, community transport organisations always endeavour to make best use of their fleet as the following example shows.

05 *ECT Charity runs a PlusBus service on behalf of Milton Keynes Council taking those people who can't use mainstream public transport to the shops, to visit friends and family, to health appointments or work placements.*

The 11 PlusBus minibuses are busy, but ECT makes sure that they are made use of in any downtime, and once or twice a week three or four minibuses head off on day trips to the seaside, a city or an attraction. Usually these trips are fully booked – for many passengers taking a day trip where they're safely transported to and from their home is easier and more enjoyable than taking a holiday.

"We put a lot of planning and thought into organising the day trips," says the service's manager Wiktor Lipiecki. "The level of personal service that we provide is a big part of their success. Not only is it the easiest way for our passengers to have a day out, our drivers make sure it's always an enjoyable one."

These trips are a great example of how ECT Charity brings added value to the areas in which it operates – making use of the PlusBus vehicles during their downtime and receiving no funding other than the reasonable fares that the passengers are charged.

Research on community transport in Norfolk is attempting to quantify the added value it brings. Commissioned by Norfolk County Council and undertaken by health economists and transport specialists at the University of the West of England, the early conclusions show that for every £1 invested, the equivalent of between £1.50 and £3 in benefits – in terms of people attending medical appointments and countering isolation – is received.

“Community transport is vital: it ensures that the most vulnerable people can get out and about, and combats isolation by providing transport where no other transport exists”



02

As Defra pointed out in its Uplands Policy Review published in March 2011, in the most rural areas (ie upland areas), it is always going to be a challenge for businesses to survive on a strictly commercial basis and frequent, regular transport services are always likely to be uneconomic. This is where well managed community-led services come into their own.

06

Bakewell and Eyam Community Transport has a staff of 24 people and 150 volunteer drivers. Its fleet

of 10 minibuses and the volunteers' cars clocks up over 70,000 passenger trips across the Peak District of Derbyshire, and 24,000 miles each year. The organisation has a turnover of £524,000 and is looking to increase turnover to £900,000 in the next five years.

However, there are also significant pressures upon community transport organisations. In recent years, the cost of fuel has risen dramatically, making running costs higher – particularly for those organisations in very rural areas which have longer distances to travel and fewer competitive fuel stations. In 2011, the CTA saw success in its campaign for a rise in the HMRC Approved Mileage Allowance Payment – the amount that volunteer drivers are reimbursed – but still some drivers are reporting they are out of pocket.

This also has an impact upon the recruitment and retention of volunteers. If volunteer drivers are going to lose money, then they are less likely to offer their services. As this report shows, volunteers are relied upon more heavily in small, rural organisations which have few or no paid staff and the CTA has anecdotal evidence that finding volunteers is getting tougher for many.

Furthermore, those organisations that have few or no paid staff rely heavily upon their volunteers' goodwill to help them deal with the administrative requirements of complying with charity and transport legislation, grant applications and concessionary travel.

Bus Service Operators Grant (BSOG) is a fuel duty rebate which is intended to help all bus operators cover their costs more effectively. Our survey shows that BSOG is an extremely important payment to community transport organisations – community transport organisations in England claimed a total of £4.95m in 2010/11. However, BSOG has been cut for this financial year and a review of what will happen in the future is currently being carried out, so how the sector will be affected later is not yet entirely clear.



03



06

At a time when grants to civil society organisations are scarcer and the devolution of transport funding to local authorities means that previously guaranteed funding streams may become discretionary, the CTA believes that BSOG is an important source of funding to the sector which should be protected if at all possible. Community transport reaches the most vulnerable people in society and can play a tangible role in helping transport authorities meet their strategic objectives but today they are at risk of losing key funding and, as a result, having to cut services.

Concessionary fares is also currently a key issue for the sector. The concessionary bus fares scheme offers free local bus travel for older and disabled people in England. While it is mandatory for local authorities to reimburse registered local bus services for the concessionary travel they provide, it is not mandatory for local authorities to reimburse community transport operators and what happens in practice varies across the country. This means that a person who is too disabled to get to their local bus stop may not be able to make use of their free bus pass. The CTA would like to see reimbursement of concessionary fares made mandatory for all section 19 services where passengers pay individually, for example, door-to-door services. This would go some way to ensuring that all older and disabled people get a fair travel deal and that community transport organisations wouldn't be out of pocket for transporting them.

On top of this, it is necessary to ensure that where community transport operators are reimbursed for providing concessionary fares, they receive a rate that leaves them no worse off for doing so. Current reductions in reimbursement rates are putting some of the services provided by our members at risk.

A community bus in a rural area of England receives reimbursement from the local authority for the concessionary fare passengers that it transports.

07

However, the rate at which the fares are reimbursed has recently been cut from 73% to 50%. This, the community transport organisation contends, goes against the principle in concessionary travel legislation that they should be no better or no worse off as a result of their participation in the concessionary fares scheme. Furthermore, they risk operating at an unsustainable loss and may have to cease offering concessionary travel.

The Department for Transport has recently made several very welcome commitments to community transport and its Supporting Community Transport Fund, which provided total funding of £20m split between 76 rural local authorities in 2010/11 and 2011/12, was a useful boost to the rural community transport sector.

However, today's funding pressures continue to be pressing. There is recognition among the sector that grants need to be maintained for community transport where appropriate – and we recognise and appreciate that parish and town councils are important funders, particularly for community car schemes in rural areas. Where grants have been withdrawn the CTA will aim to help our members to seek other methods of survival.

08

At the end of March 2011 Warwickshire County Council withdrew its grant funding for community transport,

which was worth £140,000 a year. In 2011, however, the council received support from the government's Supporting Community Transport Fund and it took this opportunity to work with the community transport organisations in the area to develop new ways of working and increase their sustainability. Recent changes in the law allowing more flexibility for community transport operators to run community bus routes and reforms in NHS and social services transport were seen as new opportunities for the community transport sector and today the organisations are hoping that they can develop to provide new services.

In conclusion, the results of this survey show there are increasing pressures on community transport organisations, but there are also new opportunities, which the sector is beginning to take up. We, as the sector's association, intend to do everything we can to influence the positive development of the 'state of our sector' and help our members to thrive in this new and changing environment.

This year's findings

1. Where community transport is found in England

Numbers of organisations of different types

We now know of nearly 2,000 community transport organisations operating across England – and there are probably significantly more than this.

32% of these are based in rural areas and 68% in urban areas. Upland areas (which cross over the urban and rural categories) account for 4.8%.

About 54% of these are organisations with transport as their primary function, while the rest are organisations for which transport is a secondary function, such as WRVS or the British

Red Cross. Although transport is a secondary function, these organisations, nevertheless, run large fleets to fulfil important roles and their significance as part of the community transport sector should not be underestimated.

This total is an increase on the 1,700 identified in The CTA State of the Sector Report for England 2009 and is due to the fact that the CTA has made a considerable effort over the last few years to contact and record as many organisations as possible. We are confident that we know about the majority of operations that run vehicles as a primary function under a section 19 permit and we are endeavouring to identify all the section 22 operations. However, there will be many others, such as small community car schemes, which we are not aware of, and this means that the sector is actually much

larger than our figures indicate. We will probably never be able to identify all the organisations with transport as a secondary function, as they could include organisations for which transport is a very minor role.

There is a great variety of services offered by community transport, and this is shown in figure 1.

The number of organisations does not give us a full idea of the scale of the sector, as schemes can vary greatly in size. Later sections will show how, for instance, rural organisations are generally smaller scale than urban ones.

Regional breakdown

In terms of the total number of primary and secondary community transport organisations, there is a bias to the south east and south west. Around half of the organisations on the CTA database are in the south east and south west regions.

When we look at how many organisations per head of population exist, the rate for the south east, the south west and, to a lesser extent, the east are much higher than elsewhere. London has the lowest rate, but its operations tend to be much larger. All the other regions have similar numbers (about 25 to 30 organisations per million inhabitants).

The geographic spread by transport authority of organisations per million inhabitants shows a pattern which does not follow regional boundaries (figure 2). The more rural areas towards the south west and the north have the highest numbers of schemes by population.

Urban areas (generally the small areas shown in figure 2) tend to have the lowest number of organisations per person. An exception is Lincolnshire (a very rural county) which has a low number

of organisations, which may relate to its wide coverage of council-provided demand-responsive services.

The south east, the north east and London regions have proportionately more secondary organisations than primary organisations. For example, the south east has 21% of all the primary organisations in England but 32% of the secondary ones. The north west, on the other hand, has 13% of the primary organisations but only 6% of the secondary ones.

Rural and urban location of organisations

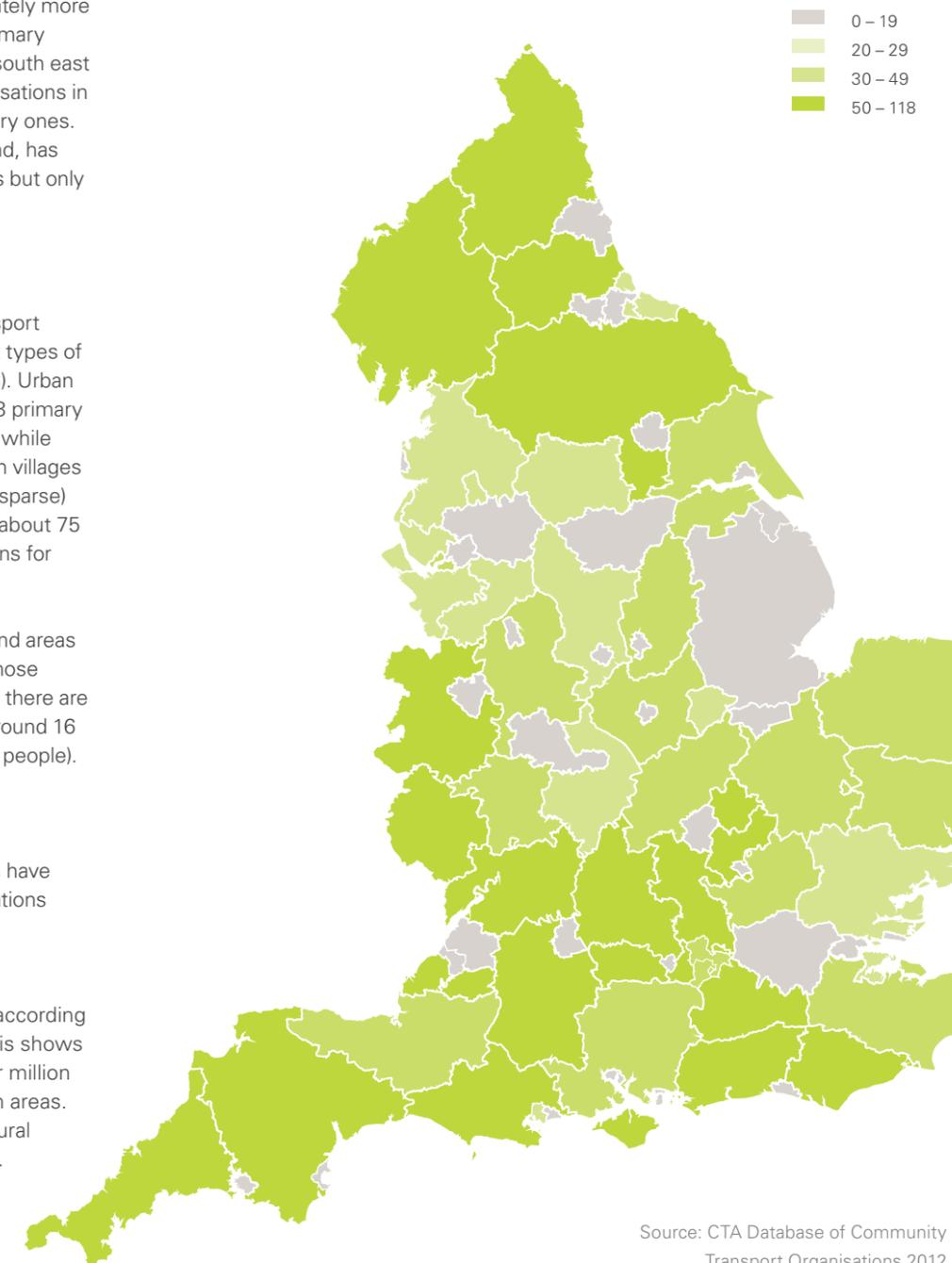
There are more community transport organisations per person in most types of rural areas than in urban (figure 3). Urban areas, on average have around 13 primary organisations per million people, while this rises to 28 in towns and 32 in villages and hamlets. The most isolated (sparse) areas have the highest rate with about 75 community transport organisations for each million people.

For the sparse rural parts of upland areas the patterns are similar, but for those upland areas that are less sparse there are fewer organisations operating (around 16 primary organisations per million people).

The trends hold for secondary organisations but to a much less pronounced degree. Urban areas have slightly more secondary organisations than primary ones.

Figure 4 shows a breakdown of community transport schemes according to the services they offer and this shows there are more of each type (per million inhabitants) in rural than in urban areas. However, later analysis shows rural organisations tend to be smaller.

Figure 2 The number of community transport organisations (primary and secondary) per million inhabitants, by transport authority



Source: CTA Database of Community Transport Organisations 2012

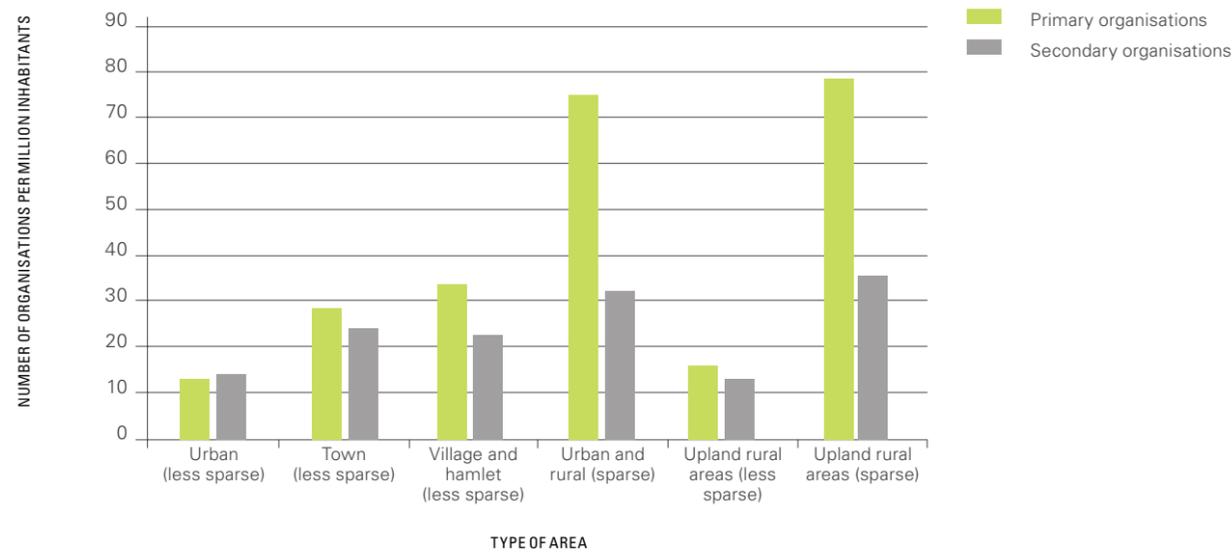
Figure 1 Percentage of community transport organisations offering different types of service*

	% offering service	% only offering this service
Group transport	55.0%	21.7%
Community car scheme	46.5%	28.0%
Door-to-door service	32.1%	8.0%
Community bus service	11.5%	4.1%
Vehicle brokerage	8.0%	No data
Other (eg training, furniture recycling)	7.6%	No data
Wheels to Work	2.0%	No data
Shopmobility	1.5%	No data

Source: Survey of Community Transport Organisations 2010

* See the Glossary for definitions of the types of service

Figure 3 The number of community transport organisations per million inhabitants in urban and rural areas



Source: CTA Database of Community Transport Organisations 2012
 Note: Upland areas are included in the first four bars, as well as in their separate bars

Summary points

- There are more community transport organisations per head of population in rural areas than urban, with especially more in sparse rural areas. Upland areas which are less sparse, on the other hand, have fewer.
- All scheme types are more common in rural areas, especially community car schemes and wheels to work.

Organisations that offer a range of services tend to be the largest. These represent the relatively small number of large scale organisations that operate mainly in urban areas. The data suggests that the largest 10% of organisations carry out 65% of all passenger trips, and 2% carry out 37%; conversely the smallest 50% of organisations carry out about 4%.

many passenger trips as predominantly rural ones. We don't have the data to discover whether this is due to smaller potential passenger numbers or another reason, such as large unmet demand, although there are likely to be a number of interrelated factors. The exception is community bus services which make more passenger trips each year in predominantly rural areas.

2. The size and scale of organisations

There are several indicators of the size of organisations. Although none give an accurate measure for all organisations, we can glean a lot from the number of passenger journeys made, the number of vehicles, the numbers of employees and volunteers reported, as well as Bus Service Operators Grant (BSOG) claims.

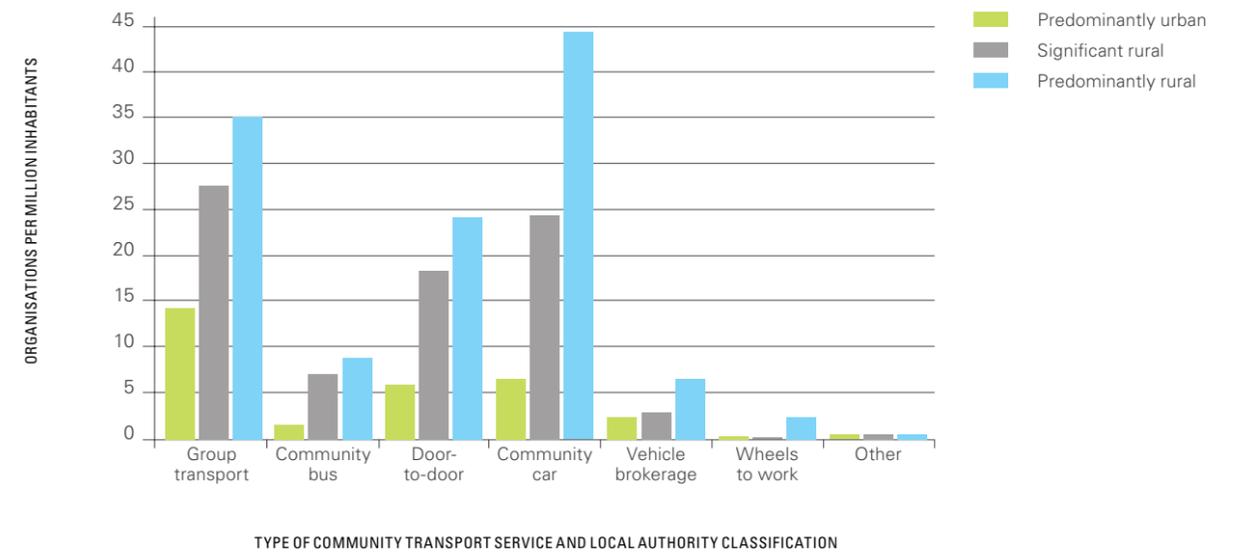
Community car schemes tend to be the smallest organisations but there are many more of these than other types of community transport organisations. The predominance of a few large operators holds across each type of service.

The median number of trips per scheme is higher for nearly all scheme types in predominantly urban and significant rural areas than in predominantly rural ones: figure 5 shows that, as a whole, predominantly urban organisations typically undertake around twice as

The types of organisation that are most common in rural areas tend to be those that are naturally smaller, such as community car schemes, but types of scheme that are more frequently large, such as door-to-door and group transport, still tend to be smaller when located in rural areas. Community car schemes in rural areas tend to be based around individual villages with small populations rather than covering a wider area.

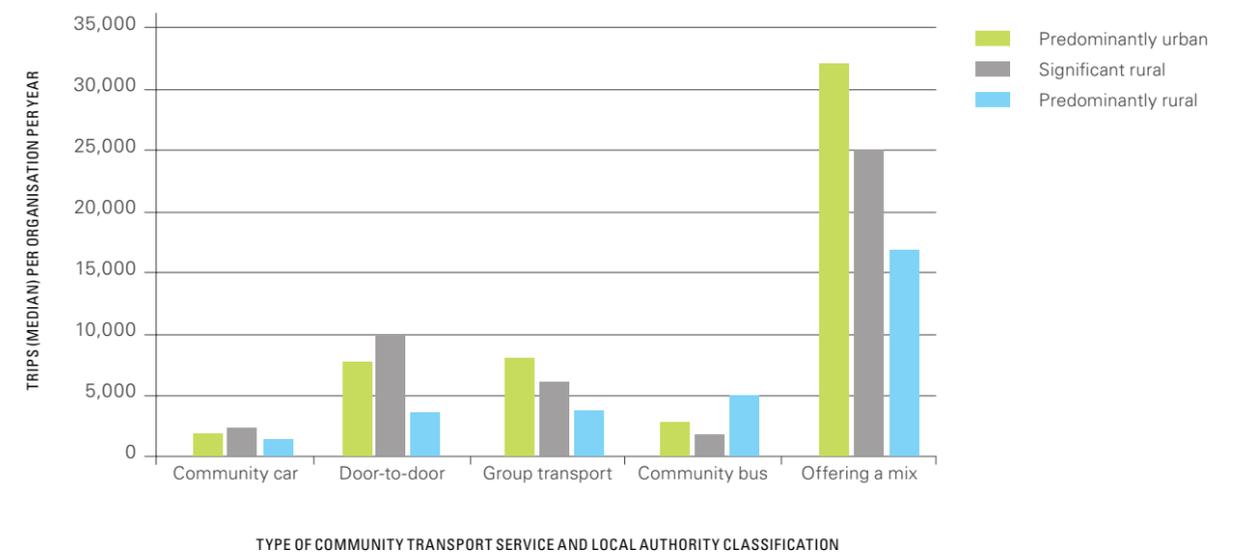
Organisations in upland areas for which we have data (a small sample of 27 in

Figure 4 Types of community transport organisations in urban and rural areas relative to population



Source: CTA Survey of Community Transport Organisations 2010
 Note: Estimate based on responses to the above survey divided by known community transport organisations

Figure 5 Median number of passenger trips per organisation per year in urban and rural areas



Source: CTA Survey of Community Transport Organisations 2010

total) tend to carry out fewer passenger trips, and this small size is consistent across all types of scheme.

Organisations in upland areas make an average of 16,000 passenger trips a year compared with 28,500 for all areas. Organisations in sparse areas are also smaller – and smaller than upland ones, with an average of 7,800 trips per year.

From the data we have it is not possible to be sure about the numbers of passenger trips in different types of area overall, but indications from the CTA Survey of Community Transport Organisations 2010 are that trips per million population are nearly twice as high in significant rural areas than others, and slightly higher in predominantly urban than predominantly rural areas.

Bus Service Operators Grant

Bus Service Operators Grant (BSOG) allows bus operators to claim back from the government a percentage of the fuel duty they pay as a fuel duty rebate. Until April 2012 community transport

organisations running under section 19 permits in England could claim about 43p a litre for most fuel types, but this has now been reduced to 35 pence per litre.

About 800 out of the 2,000 community transport organisations known to the CTA claim BSOG. But there is anecdotal evidence that many organisations with low mileages do not bother to claim perhaps because of the high administrative burden.

Various figures show that the sector is claiming more BSOG and this is likely to indicate a growth in the distances travelled by community transport.

In 2009/10 community transport organisations claimed a total of £4.27m in BSOG and in 2010/11 this rose by 16% to £4.95m. The number of organisations claiming BSOG rose from 1,347 to 1,453, an increase of 8%. And the average claim increased by 8% from £3,171.47 to £3,411.28.

Employees, vehicles and volunteers

The CTA Survey of Community Transport Organisations 2010 shows further evidence of the scale of urban and rural operations.

Figure 6 shows that community car schemes have the largest numbers of volunteers, with the highest average in areas with a significant rural population. Our survey doesn't demonstrate why there are so many volunteers for these organisations, but community car schemes in significantly rural areas may well be larger and serving a wider area than those in predominantly rural areas. There are more volunteers for door-to-door services in predominantly rural areas than in urban areas. This may be related to the smaller sizes of communities and the strong voluntary ethos which tends to develop in such areas as result of the lack of alternatives.

There are many more individual service users of community car schemes (and somewhat more of door-to-door schemes) in rural areas than in urban

ones, but the organisations with by far the largest numbers of service users are those in urban areas which provide a mix of services.

While around 55% of organisations offering door-to-door services in urban areas have 10 or more full time staff members, only 22% of rural ones do. At the other end of the spectrum only 9% of community car schemes in rural areas employ even one part time employee, while 33% of urban car schemes do.

Out of the 60,000 community transport volunteers that we know about, there are 19,000 volunteers in predominantly rural areas, 29,000 in significant rural areas and 12,000 in predominantly urban areas.

Summary points

- There is a huge variation in the scale of community transport organisations.
- Rural community transport organisations tend to be smaller than urban ones, and this is even more the case in sparse and upland areas.

3. Support for community transport

The sources of income for community transport organisations vary greatly.

Organisations in predominantly rural areas receive a much larger share of their income from passenger fares than is the case for other areas (figure 7).

Conversely, the amount received as grants is much lower in rural areas – the average urban scheme receives 10 times as much income as grants compared with rural organisations (though this figure is skewed by large grants to a small number of urban multi-function organisations). In all areas about 42% of income is from contracts and other sources.

Most types of schemes rely on fares to a greater extent in rural areas (figure 8), although some of this difference is accounted for by the higher prevalence of community car schemes in rural areas.

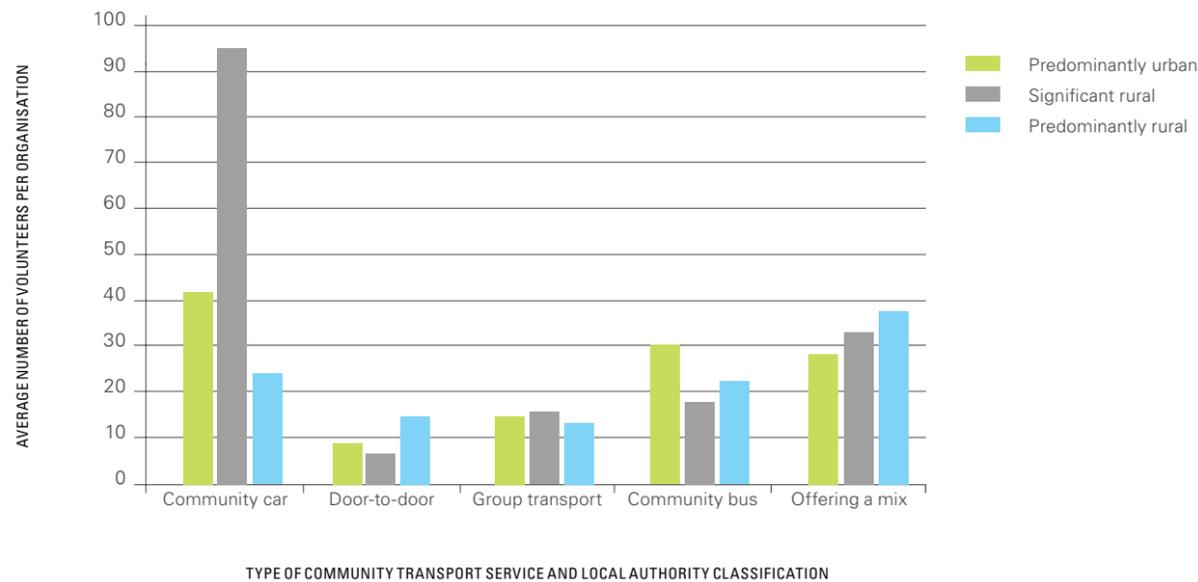
89% of income for community car schemes in predominantly rural areas is from fares, compared with 5% for urban areas. A similar, but less marked pattern is also the case for organisations running group transport and door-to-door services.

For organisations that run only group transport the situation is reversed, with a large proportion of income in both urban and rural areas coming from contracts.

Transport authorities are an important source of funding (through grants, contracts and concessionary travel reimbursement) for many types of community transport. They fund 58% of primary organisations known to them and 39% of secondary ones (although some of this funding may be for wider projects which include transport).

Predominantly rural organisations are less likely to be funded by transport authorities than those in urban or significant rural areas (see figure 9).

Figure 6 Average number of volunteers per organisation by type of service and urban/rural classification



Source: Survey of Community Transport Organisations 2010

Figure 7 Breakdown of sources of income for community transport organisations, by urban/rural classification



Source: Survey of Community Transport Organisations 2010

About one third of transport authorities spend over half a million pounds a year on community transport, while about 10% spend less than £50,000. Significant rural areas show the highest rates of spend. But average populations differ, and the spend per 1,000 people is about £1,200 in predominantly urban, and £700 in significant and predominantly rural areas (figure 10)

For those authorities which responded to both the 2009 and 2012 surveys the amount spent has fallen in predominantly urban areas. In rural areas the amount spent has been roughly stable. Two factors are probably of importance here – the Department for Transport's Supporting Community Transport Fund provided £20m split between 76 rural local authorities in 2010/11 and 2011/12, and against a backdrop of cutbacks to many rural public transport services over the past few years there may be greater willingness by transport authorities to support community transport.

At the same time as the average falling, somewhat more transport authorities recorded an increase in overall spend than reductions over the last three years (figure 11). Spending on concessionary fares and contracts were most likely to have increased.

Funding from other bodies

Funding from other bodies (known of by transport authorities) is most likely to come through other councils or, in some cases, the NHS. In almost all cases where the authority is a county with districts, the district councils were known to be funders.

Parish or town councils were not a category asked about in 2009, but 34% of transport authorities reported that these were funders in 2012.

Concessionary fares

The concessionary bus fares scheme offers free local bus travel for older and disabled people in England after 9.30am. It is mandatory for local authorities to

reimburse registered local bus services (including section 22 services) for concessionary passengers, but is not mandatory for them to reimburse other community transport operations.

Although community transport passengers can use their concessionary passes in many areas of England, reimbursement rates vary and many community transport organisations are not fully reimbursed for the passengers that they take. The type of services for which reimbursements are available and the rates at which operators are reimbursed are inconsistent and typically more restrictive than on registered local bus services which are covered by the mandatory government scheme.

About one third of transport authorities say that the reimbursement rate will change in the next three years, with roughly half reporting an increase, and half a decrease.

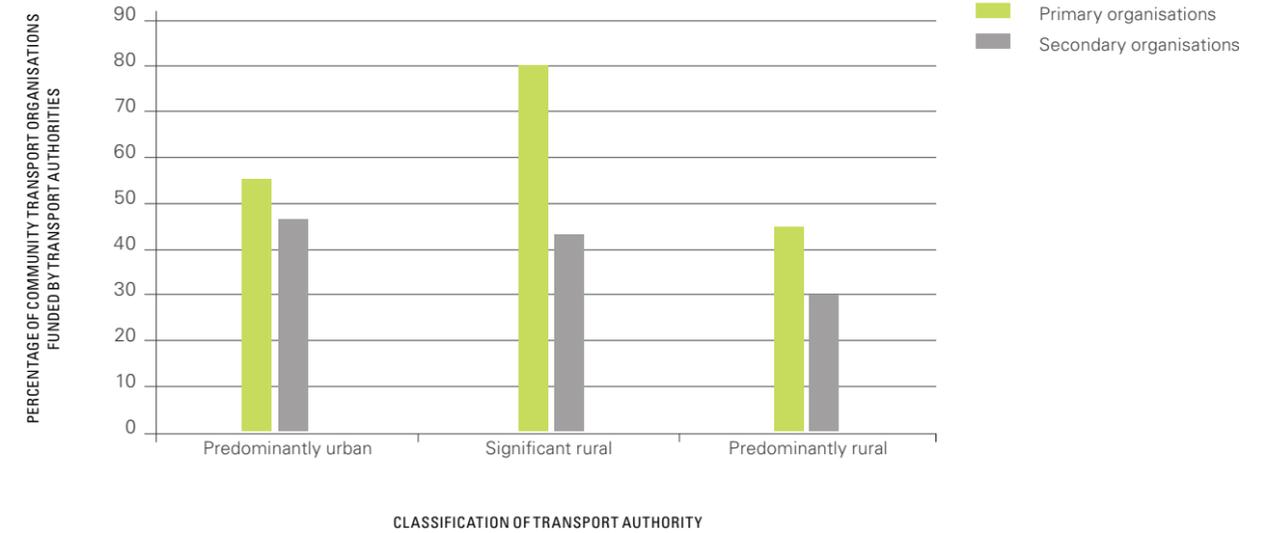
Figure 8 Sources of income for selected type of operation, by urban/rural classification

- Fares
- Grants
- Contracts
- Other



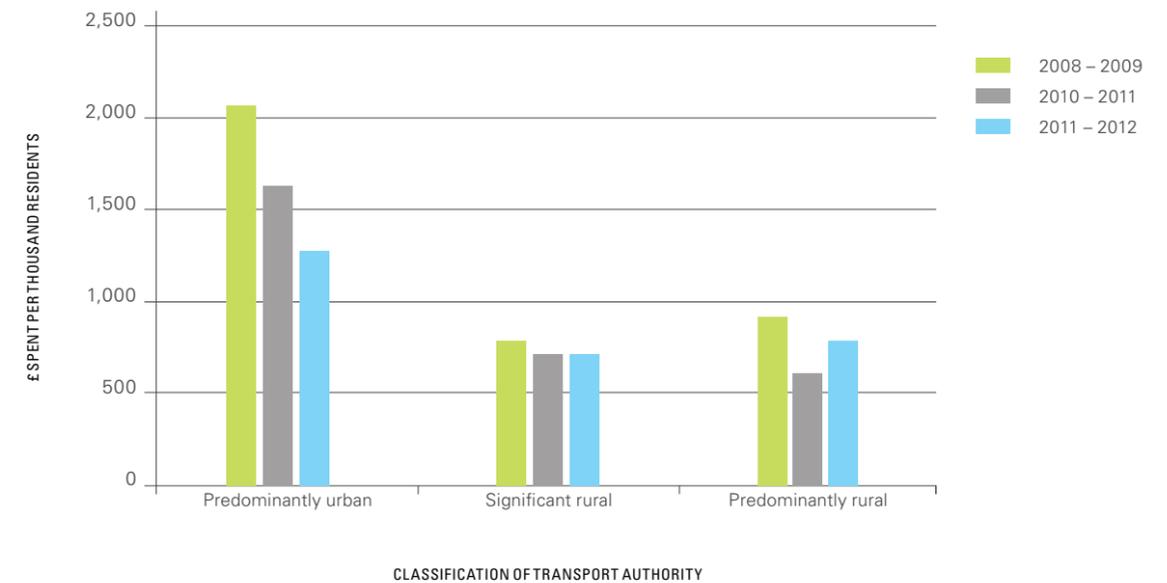
Source: Survey of Community Transport Organisations 2010

Figure 9 Percentage of community transport organisations that receive funding from transport authorities, by urban/rural classification



Source: CTA Survey of Transport Authorities 2012

Figure 10 Transport authority spend on community transport per thousand residents by urban/rural classification



Source: CTA surveys of transport authorities 2009 and 2012

About one third of authorities spend over £100,000 a year on concessionary fares for community transport while just over 50% spend £50,000 a year or less: of these 19% spent nothing.

Predominantly urban authorities have reported little change over the three years up to 2010/11 while a few mixed and rural authorities showed little change between 2008/9 and 2009/10 but increases between 2010/11 and 2011/12.

Contractual arrangements

92% of transport authorities have a contractual financial arrangement with community transport organisations. Most use more than one method, with grant aid, service level agreements, tendering and concessionary fares reimbursement being used roughly equally by between 55% and 67% of authorities.

Since 2009 there has been a very small increase in the numbers having grant aid and service level agreements, but tendering and concessionary travel reimbursement have become more widespread since 2009, rising from 36% to 56% and from 37% to 61% respectively.

Figure 12 shows the types of licence held by community transport organisations

that operate under contract with transport authorities. The large growth in section 22 and car sharing licences is notable, although both were from a low base. However, the car sharing figure may be misleading as few community car schemes have financial relationships with transport authorities.

The future

Transport authorities generally feel that changes to funding will have the effect of reducing public transport services, especially in changes to the amount of funding for tendered services and Bus Service Operators Grant (figure 13). But transport authorities generally consider community transport will not be hit hard in most areas. Some expect reductions due to the reduction in the anticipated level of grants to community transport organisations, but a small proportion expect increased services.

Summary points

- Rural community transport organisations are less dependent on grants and obtain much more of their funding from fares paid by passengers than those in urban areas. The lower level of grant funding is for most types of service and the spend per thousand population is lower.

- Other forms of income are also vital, including contracts with local authorities.
- Parish and town councils are also important funders.
- There is an expectation among transport authorities that while public transport will see cutbacks to services due to recent funding changes, community transport will not be hit hard in most areas.

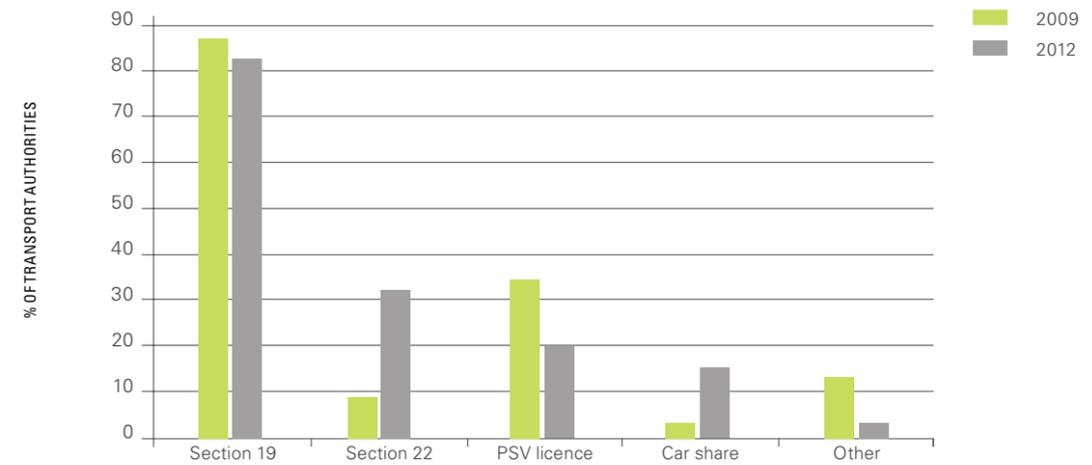
4. Analysis of community transport permits

Community transport services (excluding community car schemes) are primarily run under section 19 or section 22 permits. Records are collected by Vosa for the number of permits issued.

Community bus permits

Figure 14 shows a significant increase in community bus permits issued in recent years. This follows changes implemented in the Local Transport Act 2008, which allowed operators of section 22 services to pay drivers and new government backing for this type of service via

Figure 12 Types of licence held by community transport organisations which operate under financial contract with transport authority



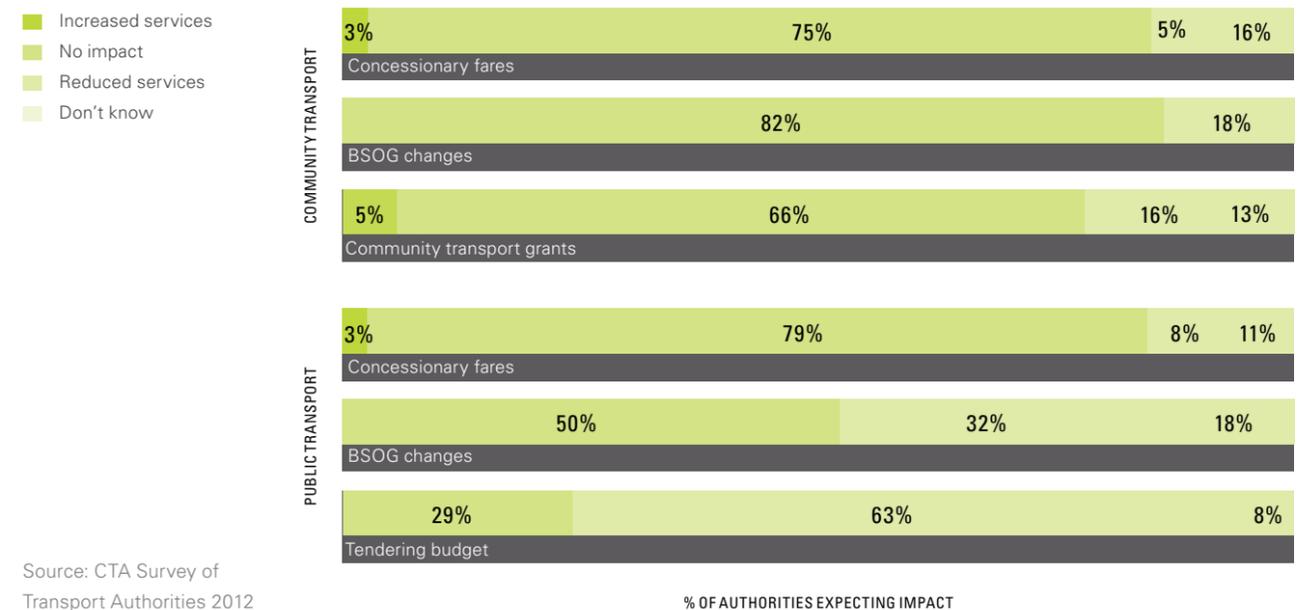
Source: CTA surveys of transport authorities 2009 and 2012

Figure 11 Whether spend on community transport by transport authorities has increased or decreased over the past three years



Source: CTA Survey of Transport Authorities 2012

Figure 13 Expected impacts of changes to funding for public transport and community transport



Source: CTA Survey of Transport Authorities 2012

new guidance to local authorities. It is also likely that the increased number of community transport organisations are seeking to meet the needs of their communities by providing vital local bus services, particularly where commercial operators have withdrawn services deemed to be unprofitable following government subsidy cutbacks.

As at June 2012, there were 220 registered community bus routes operating in England.

Section 19 permits

The Local Transport Act 2008 redefined Section 19 Small Bus Permits. They were renamed Section 19 Standard Permits and are now valid for five years whereas previously they did not have to be renewed. All permits will have to be renewed by 2014. This means that the figures for the total number of section 19 permits issued in figure 16 may show a larger than expected increase in recent years as permits are renewed. However,

this only accounts for some of the significant rise that is seen in 2011/12.

Figure 15 shows a breakdown of permits issued by different bodies: section 19 permits can be issued by traffic commissioners, many local authorities and 'designated bodies' (which include the CTA) named in the Transport Act 1985. Section 22 permits can only be issued by traffic commissioners.

The number of section 19 permits issued by the CTA in England is summarised in figure 17.

Summary points

- There has been a significant increase in the number of community bus permits issued and the number of routes operated in recent years.
- Although the rules around section 19 permits have changed, there has been a notable rise in applications between 2007/8 and 2011/12.

5: Planning and collaborative working

Two-thirds of transport authorities have some form of community transport strategy. Some are formal published documents but many are informal or are brief inclusions in the Local Transport Plan. Strategies are more likely to exist in significantly and predominantly rural areas with around 75% having a strategy, compared with 50% in predominantly urban areas. Most of those that have a strategy have it as part of a Local Transport Plan or similar document. The rate has fallen since the 2009 survey when 75% had a strategy, and 70% were part of a Local Transport Plan. This may reflect the reduced importance placed on Local Transport Plans by central government and its increased focus on local decision-making.

The CTA has noticed a big rise over the past two years of community transport organisations collaborating more. 89% of transport authorities reported that some form of local transport forum or network meets locally: 15% of these were formed as a formal legal entity while 70% had a more informal forum. 60% were detailed in the Local Transport Plan.

We asked transport authorities about the impacts of the Big Society in their survey returns. 26% reported more communities taking an interest in local transport services, but some commented that this was 'interest' in terms of wanting the local authority to provide more. 10% had seen an increase in volunteering, and 13% had seen new sources of funding.

Summary points

- Three quarters of transport authorities have a community transport strategy, most of which are part of the Local Transport Plan. This is a drop since 2009 when 75% had a strategy.
- 89% of transport authorities reported that some form of local transport forum or network meets locally.

Figure 14: Community bus permits issued 2008/09 to 2011/12

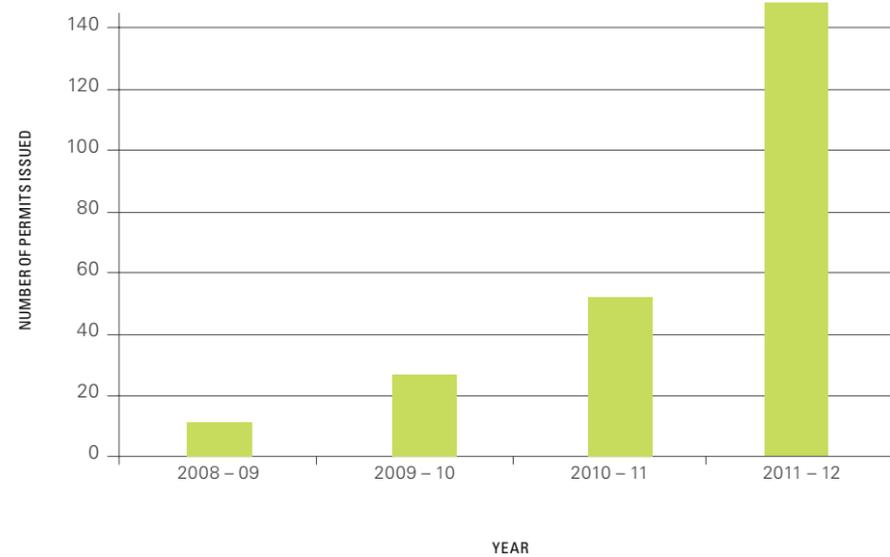


Figure 15: Section 19 permits issued 2010/11 and 2011/12

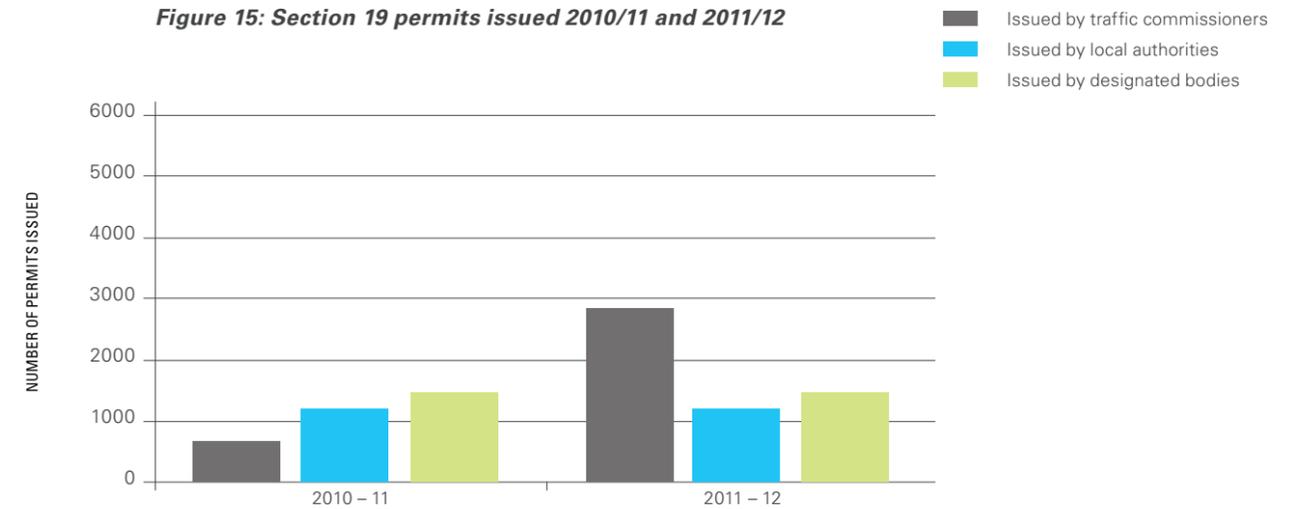


Figure 16: The total number of section 19 permits issued since 2007

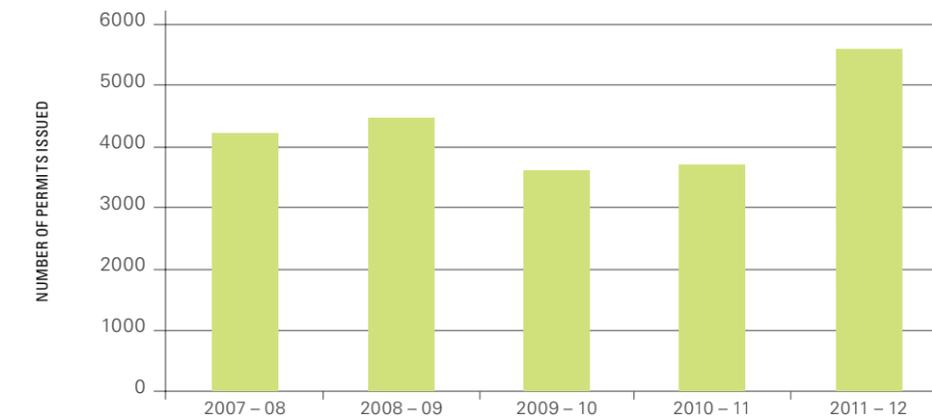
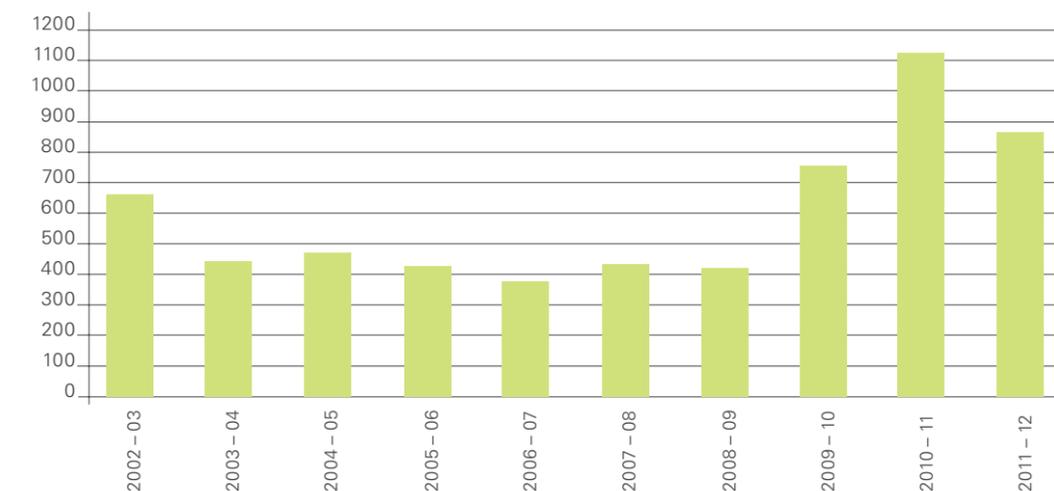


Figure 17: Section 19 permits issued by the CTA in England



Appendix

Methodology

For this third State of the Sector Report for England we have drawn upon a number of sources of data.

Bus Service Operators Grant (BSOG):

We have analysed the most recently available Department for Transport data for 2009/10 and 2010/11 showing how much BSOG has been claimed by community transport.

CTA Database of Community

Transport Organisations: this is constantly updated and contains information about the majority of primary and some of the secondary community transport organisations across England. Not all of the organisations on this database are members of the CTA. The data was extracted in April 2012.

CTA Survey of Community Transport Organisations 2010:

this was undertaken to inform the 2010 State of the Sector report. We have carried out a new analysis of some of the data within this, looking particularly at rural areas.

CTA Survey of Transport Authorities

2012: this was carried out in the spring of 2012 and updates the CTA Survey of Transport Authorities 2009 which was completed for the first State of the Sector report for England. All 90 transport authorities were approached and 51 responded, which represents a 56% response rate. The sample is representative in terms of urban/rural distribution, and authority type, although the urban sample tends

towards transport authorities with smaller populations and has more unitary authorities than metropolitan. Overall, the sample represents a fair cross section for the purposes of this report.

Permit data: We have analysed data available from VOSA and CTA records on section 19 and 22 permits issued.

Glossary

Bus Service Operators Grant (BSOG)

A fuel duty rebate claimed by transport operators from the government based on the amount of fuel used.

Community transport

Safe, accessible, cost-effective, flexible transport run by the community for the community.

Community transport licensing

- Section 19 permits allow community transport organisations to provide transport for certain sections of the community – such as older people and disabled people – but not the general public.
- Section 22 permits allow community transport organisations to provide local bus services for the general public in areas where commercial bus routes aren't viable, providing they don't make a profit.
- Public service vehicle operator's licences can be used by community transport operators under the same regulations as commercial operators.

- Car sharing legislation allows community groups to provide transport for individuals using volunteers' own cars. Section 1 (4) of the Public Passenger Vehicles Act 1981 allows charges to be made to passengers and, as long as no profit is made on any expenses paid, it is regarded as falling outside the definition of operation in the course of a business carrying passengers.

Community transport organisations

Civil society organisations, embedded in their local community. Some organisations exist solely or mainly to provide community transport services and in this report we call them primary organisations. Others are established to deliver other services, but also operate some form of community transport as a subsidiary function. We call these secondary organisations.

Community transport services

- Community car schemes: volunteers drive their own cars in return for expenses paid by passengers, who usually are unable to use public transport due to disability or illness.
- Group transport: community transport groups hire out vehicles – often accessible minibuses – and sometimes drivers to take members of voluntary groups on trips. These are carried out under section 19 permits.
- Door-to-door dial-a-ride services: services for individuals who can't use mainstream transport. Passengers are usually picked up from their homes and dropped off at their destination such as the doctor or the shopping centre. Run under section 19 permits.

- Contracted services: home-to-school, non-emergency patient or social care transport services, operated under contract to local authorities, schools or others. Run under section 19 permits.
- Wheels to Work: scooters are loaned to geographically isolated people (often young people) to enable them to get to work, apprenticeships or training.
- Community bus services: demand-responsive or fixed route transport services, available to the public, operating where commercial bus routes are not viable. Run under section 22 permits.
- Vehicle brokerage: management of the sharing of vehicles owned by several organisations.
- Shopmobility: loan or hire of wheelchairs and mobility scooters to disabled people in shopping centres.

Concessionary travel

The concessionary bus fares scheme offers free local bus travel for older and disabled people in England after 9.30am. It is mandatory for local authorities to reimburse registered local bus services (including section 22 services) for concessionary passengers, but is not mandatory for them to reimburse other community transport operations; policies vary across the country.

Transport authorities

Besides many other transport functions, transport authorities are responsible for transport planning, concessionary travel and much of the community transport support in their areas. The transport authority will be the metropolitan county

(each of which have an integrated transport authority for their area), the non-metropolitan county (such as Devon), the unitary authority (such as Shropshire) or Transport for London.

Urban and rural areas

We use different definitions of urban and rural areas, depending on the accuracy to which we can pinpoint the data. The first set of definitions is from the government's Rural and Urban Area Classification 2004 for England and Wales. This is a very detailed analysis of the density of the population. The definitions are broadly as follows:

- Urban: settlements with populations of more than 10,000.
- Rural – town: settlements with populations of more than approximately 3,000, but less than 10,000.
- Rural – town, village, hamlet and isolated dwellings: settlements populations of fewer than 10,000 people.

These definitions are then further classified as 'sparse' or 'less sparse' according to what other types of settlements are around them. So, for example, a 'less sparse' village would be a village that was near to other settlements. A 'sparse' village would be a geographically isolated village which generally has very low residential density for around 20 miles around.

Parts of this report are based on data from transport authorities, which cover larger areas than can be specified by the above definitions. So we use the following classifications:

- Predominantly urban: with at least 75% of the population living in settlements defined as urban.
- Significant rural: with 25 to 50% of the population living in settlements defined as rural.
- Predominantly rural: with at least 50% of the population living in settlements defined as rural.

The rural populations here include large market towns.

Further information www.defra.gov.uk/statistics/rural/what-is-rural/rural-urban-definition/ and www.defra.gov.uk/statistics/rural/what-is-rural/other-geographies/

We also discuss upland areas which are described as 'less favoured areas'. According to the Organisation for Economic and Co-operative Development these are areas with natural disadvantages, such as lack of water, unfavourable climate, short crop season, depopulation) or that is mountainous or hilly. This is a separate system of classification to the above so areas could be described in more than one way. For example, an area could be predominantly rural as well as being an upland area.

More information see www.defra.gov.uk/statistics/files/Uplands-Digestv1.pdf

In this report the designation of an organisation as urban or rural relates to the address of the office, and not to the area served.



**Community
Transport
Association**

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