pteg.
delivering public transport solutions

Transport Committee

Passenger transport in isolated communities

Statement of evidence

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Content

1. Introduction

1.1. **pteg** represents the six Passenger Transport Executives (PTEs) which between them serve more than eleven million people in Greater Manchester (Transport for Greater Manchester), Merseyside (Merseytravel), South Yorkshire (SYPTE), Tyne and Wear (Nexus), the West Midlands (Centro) and West Yorkshire (Metro). Bristol and the West of England Partnership, Leicester and Nottingham City Councils, Transport for London and Strathclyde Partnership for Transport are associate members of **pteg** though this response does not represent their views. The PTEs plan, procure, provide and promote public transport in some of Britain's largest city regions, with the aim of delivering integrated public transport networks accessible to all.

2. Summary

- We welcome the Committee's recognition that isolated communities are an issue for urban, as well as rural areas.

- Accessibility Planning is a key tool used by transport authorities to identify demand for passenger transport but should be used more widely to implement both transport *and* non-transport solutions to accessibility problems.

- Ideally, public transport should provide a general service that is available, affordable, accessible and acceptable to all. Where this is not the case, certain groups are particularly vulnerable to experiencing isolation. PTEs are involved in a range of initiatives to ensure their needs are taken into account.

- Key challenges associated with providing better and more consistent bus and rail services to isolated communities include funding; the deregulated nature of the bus market outside London; land-use planning decisions; and a lack of recognition among other sectors of the importance of transport to the successful delivery of their policy objectives.

- The extent to which transport authorities can address these challenges is constrained by cuts to local government and transport funding, however, interventions include: the provision of tendered 'socially necessary' bus services; use of alternative transport solutions; use of Local Transport Act 2008 powers; more efficient use of existing transport resources; and marketing and behaviour change initiatives.

- Connecting isolated communities to services and opportunities is the responsibility of all those involved in the planning and delivery of public services - not just the transport sector.

- Community Transport is effective at understanding the needs of local people but, as services come under increasing pressure, operators face challenges in 'scaling up' to meet demand or make the most of opportunities for sustainability. Capacity building as well as closer working with transport authorities could be helpful.

- Services in isolated communities should be tailored to demand. If demand levels suggest that a taxi or demand-responsive transport would meet the needs of communities, then provision of these services should be sufficient. However, it is important to ensure that these services are well publicised as well as affordable, accessible and acceptable to users.

3. How do Government and local authorities identify demand for passenger transport in isolated communities (including rural and urban areas and island communities)?

3.1. We welcome the Committee's recognition that isolated communities are an issue for urban, as well as rural areas. In both area types, communities can become isolated if public transport is not available, affordable, accessible or acceptable.

3.2. Rural residents can experience isolation due to their geographical distance from key centres. In urban areas, distances to key services are often shorter, but communities can still find themselves isolated when transport services do not connect them to the places they want to go, at the times they need to travel or if those services are not affordable or accessible.

3.3. Urban communities may, for example, find themselves cut off from key employment sites because transport is unavailable at times which correspond to late night or early morning shifts. Furthermore, transport services may not connect employment sites with the communities who have the skills to fill available jobs[1].

3.4. One of the key tools used to identify demand for passenger transport is Accessibility Planning, a cornerstone of the 2003 Social Exclusion Unit report 'Making the Connections'. Accessibility Planning was designed to provide an opportunity for local partners, from across sectors, to develop a systematic approach to identifying gaps in the network and improving people's access to key services and employment sites.

3.5. Accessibility Planning was intended to deliver both transport and non-transport solutions to accessibility problems, recognising that changes to where and how key services are delivered can be as important as the provision of transport. However, perhaps because the production of an Accessibility Strategy became a Local Transport Plan requirement, accessibility is, in many areas, primarily seen as the responsibility of transport authorities, undermining the partnership approach originally envisaged. A recent evaluation of Accessibility Planning for the Department for Transport (DfT) confirmed this to be the case[2].

3.6. Accessibility Planning is in widespread use among transport authorities, but we would welcome a re-emphasis – across departments – of its value and the need for a partnership approach to explore both transport and non-transport solutions. To underline this, all relevant government departments should issue or update their own Accessibility Planning guidance. The recent Environmental Audit Commission (EAC) inquiry into transport and the accessibility to public services supports this recommendation, stating: *'The Government should publish up to date guidance which makes a compelling case for accessibility to be addressed, not just by local authorities but by all central government departments.'*[3] Indeed, we would suggest that a number of the EAC's recommendations are of relevance to this inquiry and are something that the Committee may wish to make reference to.

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[1] See for example Clayton, N., Smith, R. and Tochtermann, L. (2011) 'Access all areas: Linking people to jobs' and Joseph Rowntree Foundation (2012) 'The challenges for disadvantaged young people seeking work.'

[2] Kilby, K. and Smith, N. 'Accessibility Planning Policy: Evaluation and Future Directions' available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/3190/accessibility-planning-evaluation-report.pdf p.34.

[3] Environmental Audit Committee (2013) 'Transport and the accessibility to public services – Third Report of Session 2013-14).

3.7. Alongside Accessibility Planning, demand for passenger transport is identified through:

- Reference to the Local Transport Plan for the area.
- Analysis of passenger data including patronage, revenue and location of boardings (where available).
- Analysis of statistics such as household income and car ownership levels.
- Identification of changes in land use, such as planned new housing/industrial estates or relocation of public and other services.
- Identification of where significant numbers of jobs are located, for example, through analysis of the Office for National Statistics Inter-Departmental Business Register.
- Partnership working and integration of delivery programmes with Local Enterprise Partnerships and other public and private sector agencies.
- Monitoring of changes to commercial transport networks.
- Surveys of transport users and non-users.
- School travel planning processes.
- Regular Customer Forums and engagement with community groups and other forums.
- Requests from residents, businesses, Councillors and other organisations, including via neighbourhood petitions (often triggered by withdrawals of commercial bus services).

3.8. Having identified a demand, transport authorities then face the challenge of prioritising the limited funding available to achieve the most socially and economically advantageous outcome (see section eight).

4. To what extent are the needs of different groups of passengers taken into account in determining the provision of public transport to isolated communities?

4.1. Local Transport Plans (LTPs) are the core strategic documents used by transport authorities to set the context for developing public transport networks and services. Equality impact assessments form part of the LTP process and test the likely impacts of proposals on different communities and groups.

4.2. Ideally, public transport should provide a general service that is available, affordable, accessible and acceptable to all, regardless of where they live, their income, age, ability or level of confidence.

4.3. Transport for Greater Manchester's (TfGM) 'Local Link' services for example, provide transport for many of the area's isolated communities. Anyone living in the community can use the service – there are no age or disability restrictions and vehicles used are accessible. The services are often tailored to link to Greater Manchester's hospitals, colleges and rail stations, with markets determined through Accessibility Planning principles.

4.4. Public transport that is not available, affordable, accessible and acceptable risks leaving people isolated. Certain groups, including people with disabilities, people on low incomes, older people and young people are particularly vulnerable as they are more likely to rely on public transport as their main means of getting around.

4.5. PTEs are involved in a range of initiatives to ensure the needs of different groups of passengers are taken into account.

4.6. PTEs fund concessionary fares schemes including the statutory national concessionary fares scheme for older and disabled people, discretionary enhancements to that scheme and concessions for other groups such as children and young people and jobseekers.

4.7. PTEs work to ensure that tendered bus services are compliant with accessibility regulations. Where individuals are unable to use conventional public transport, they provide specialist services to ensure people are not left without an independent means of getting around. In more isolated communities these could, for example, take the form of demand responsive door-to-door services or support for the use of accessible taxis.

4.8. PTEs also consult with different groups of passengers directly. Taking the time to understand the needs of different user groups is vital to ensure that the services provided are the right ones and ones that people will use and value. TfGM, for example, has a Disability Design Reference Group which is recognised as a model of best practice by the Equality and Human Rights Commission. Meanwhile, all PTEs work to involve young people in transport decision making, for example, through attending local youth council meetings and holding youth forums.

5. What are the main challenges associated with providing better and more consistent bus and rail services to isolated communities? How can these challenges be overcome?

5.1. A key challenge concerns the funding of bus and rail services to isolated communities, covered in section eight of this response. Aside from funding issues, another challenge for transport authorities is that bus services outside London are privately operated under a deregulated framework. In practice, this means that transport authorities have no direct control over which communities receive commercial bus services (which comprise almost 80% of total bus mileage). Transport authorities also have no direct control over the fares, quality or frequency of commercial services or the extent to which they form part of an integrated transport network.

5.2. In this environment, bus operators – as private companies – need to ensure that, overall, their operations are profitable. They are unlikely to run services that lose money, even if there is a need for them in the community. Often, this means bus operators pull out of running services to isolated housing estates or rural areas, focusing instead on profitable major corridors and commuter routes.

5.3. This may result in gaps in transport connectivity for some communities, impacting on access to employment, education, key services and social activities. In these cases (and where budgets allow – see section eight), transport authorities may step in to fund extra 'socially necessary' bus services (also known as tendered services). They may also assess whether alternative solutions such as demand responsive transport; taxis; Wheels to Work schemes; community transport; car sharing; or walking and cycling provision might represent a more efficient use of resources.

5.4. The challenges of a deregulated market for bus can also be tackled through the use of powers granted under the Local Transport Act 2008 which:

- Made it easier to negotiate Voluntary Partnership Agreements with bus operators to improve services. All PTEs are investing heavily in voluntary partnerships to benefit passengers.

- Made it easier for transport authorities to facilitate voluntary Qualifying Agreements (QA) between competing operators to coordinate their timetables.

- Expanded the scope of Statutory Quality Partnerships (SQPs) whereby binding agreements can be voluntarily entered into between transport authorities and bus operators, including on fares, frequencies and timings. PTEs were the first to introduce an SQP (in Sheffield) and a number of other agreements have been reached since, with Bath and North East Somerset Council being the first to make a scheme embracing the full range of measures available.

- Made Quality Contracts (QCs) a more realistic option. A QC involves replacing the existing deregulated bus markets with a franchising system (similar to that in London) where the local transport authority specifies what the bus network will provide and the private sector competes for the right to provide it. Services to isolated communities can be specified as an integral part of the package that operators bid for, allowing cross-subsidisation of such services by more profitable routes. Several PTEs are developing proposals for QCs, with Nexus the first to launch a formal public consultation.

5.5.   A further challenge is that land-use planning decisions are frequently made with little consideration for people who do not have use of a car, leading to communities being cut off from accessing key services and the creation/expansion of isolated housing estates. The problem is exacerbated by trends towards the centralisation of public services, such as healthcare and education, which mean that people have to travel further or to different locations to access services, running the risk that real choice across services is more constrained for communities that are dependent on public transport.

5.6.   The increasing liberalisation of the planning system[4] runs the risk of creating further isolated communities if development is permitted in inaccessible areas on the grounds of short-term economic growth benefits.

5.7.   Land-use planning decisions at their earliest stages should look at locating developments so that they connect to existing public transport networks. In South Yorkshire, close partnership working between the PTE (SYPTE) and the South Yorkshire districts through the South Yorkshire Land Use and Transport Integration (SY LUTI) project has helped to ensure that new developments are prioritised around existing public transport corridors and that any sites which are poorly connected have been outlined as requiring developer contributions towards public transport services. This work has been welcomed on a city region basis, with partners outside of South Yorkshire now requesting LUTI modelling.

5.8.   Mixed use developments should also be encouraged to allow people to walk or cycle to key services. Together with taking transport into account at the earliest stages of planning, this could avoid communities becoming isolated and save money on costly transport interventions to fill gaps.

5.9.   It is important to note that connecting isolated communities to services and opportunities is not just a problem for the transport sector to solve, it is the responsibility of all those involved in the planning and delivery of public services. There needs to be greater recognition among other sectors of the importance of transport to the successful delivery of their policy objectives, and a willingness to invest in it accordingly. Furthermore, there needs to be a

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[4] For example, through the National Planning Policy Framework (2012), Growth and Infrastructure Act (2013) and the Heseltine Review (2013).

readiness to consider, and fund, non-transport solutions to the accessibility problems of isolated communities. Closer city region working models should help in this respect, although further devolution of the controls and funds that shape public service restructuring would also assist.

6. How effectively do Community Transport services address the needs of passengers in isolated communities? How could Community Transport be improved?

6.1. Community Transport (CT) operations are embedded in the communities they serve, meaning that they can be very effective at understanding what types of services residents want and what gaps exist. CT can offer a flexible means of filling these gaps in commercial and tendered bus services.

6.2. Cuts to tendered bus services, together with policy developments such as personalised social care budgets and cuts to local authority in-house transport services, are leading to more pressure on CT services which are not always ready to meet demand.

6.3. Forms of grant funding that the sector has traditionally relied upon are fast disappearing, impacting on staffing, fare levels and ability to maintain and replace vehicles.

6.4. Some CT operators may lack the skills and resources needed to bid for local transport contracts which could potentially offer more financial sustainability. The sector could be supported through capacity building to assist in understanding the opportunities available, the surrounding legislation and in how to meet the basic tendering criteria.

6.5. Closer working with transport authorities can be helpful in building understanding and relationships on both sides. TfGM, for example, is delivering four new or improved services in partnership with CT operators to connect isolated communities with key employment sites.

6.6. The DfT may wish to look at how government and local authorities could promote a healthy CT sector, for example, through a 'Better Community Transport' initiative linked to funding to improve fleets. The Department for Business Innovation and Skills could look at how the sector could be up-skilled and how innovation could be encouraged.

7. To what extent should passengers in isolated communities be expected to rely on taxis and other demand-responsive transport services?

7.1. Providing transport services to isolated communities will always be costly and, at a time when budgets are under pressure, must be tailored to demand. Demand is rarely static, meaning that flexibility is required. If demand levels suggest that a taxi or demand-responsive transport (DRT) service would adequately serve that community's needs, then provision of these services should be sufficient, as long as they are well publicised.

7.2. Services must also be affordable for passengers. Taxis in particular can be prohibitively expensive. *pteg* commissioned research in two urban communities experiencing isolation as a result of cuts to tendered bus services. Residents (particularly older and younger people) were having to rely more on costly taxi services to get around and were having to cut back on their journeys as a result.

7.3. There is potential to make it easier for taxis to fill gaps in the network through smartcard technology, so that journeys can be paid for without the need to carry cash, or even allow for a certain number of journeys to be pre-paid or discounted for certain groups, as with the Nexus TaxiCard[5]. Smartcards also have the potential to enable taxis to be better integrated into local public transport networks, forming part of a package for mobility where one card unlocks a range of transport options.

7.4. In respect of taxis, it should also be noted that there are issues around standards and safety, given that drivers and operators are not bound by safety standards that apply to public service vehicle (PSV) operators (e.g. mandatory breaks, limits on working hours). There should be greater synergy between taxi licensing and passenger transport/PSV licensing regimes.

8. What are the main challenges associated with funding transport services in isolated communities? How can these services be made more affordable?

8.1. A key issue is that transport priorities at national level are centred on creating economic growth - a vital goal - but one that has resulted in the side-lining of social inclusion issues. Economic growth priorities are reflected in funding criteria which can make it difficult to secure resources for initiatives serving isolated communities, where economic returns may be lower or more difficult to quantify. At local level, this can result in such initiatives being scaled back and focus shifting towards projects aimed at creating growth, in recognition of Government priorities.

8.2. The EAC inquiry into transport and accessibility to public services[6] recommended that the Government should review its transport funding for local authorities to ensure that pro-accessibility services that are particularly dependent on revenue, rather than capital, expenditure are not disproportionately curtailed.

8.3. Funding transport in isolated communities will, however, always be challenging as often passenger numbers are low and demand is limited, making services costly to provide.

8.4. With regard to rail, for example, new stations or increased services at existing stations are often unaffordable. For isolated communities there would need to be careful consideration given to whether levels of demand would justify the costs, including those associated with the slowing down of other services to accommodate an additional stop.

8.5. On bus, as described above, the bus market outside of London is deregulated and commercial operators are unlikely to choose to run a service that is unprofitable. Where gaps in services emerge, transport authorities must decide whether to fund a tendered bus service to cover unmet transport needs. Whether they do this will depend on factors such as cost and available budget; the number of people who would use it; whether there are other ways people could get around if there was no bus; and likelihood of self-sufficiency in the future.

8.6. Cuts to public spending have left transport authorities less able to fill gaps in this way. Tendered bus services are a non-statutory area of spend making them vulnerable as

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[5] For more information see http://www.nexus.org.uk/bus/guide-buses/taxicard.
[6] Environmental Audit Committee (2013) 'Transport and the accessibility to public services – Third Report of the Session 2013-14.'

transport authorities seek to ensure they can continue to meet their core legal responsibilities (such as funding free off-peak bus travel for older and disabled people).

8.7.   Urban areas have been particularly hard hit by public spending cuts overall. In the 2011-12 Local Government Funding Settlement, funding for Metropolitan Districts fell by around 10% in real terms, compared to a 5% cut in Shire areas, relative to the previous year[7]. This impacts on transport spending in the cities as PTEs derive nearly the entirety of their revenue budget income from a levy on District Councils.

8.8.   PTEs are doing all they can to mitigate the effects of these funding challenges, including using the powers and options granted in the Local Transport Act 2008 to protect and improve bus services (see section five) as well as investigating alternative solutions such as walking, cycling, DRT, community transport, car sharing/community car initiatives and taxi services.

8.9.   'Total Transport'[8] approaches could also help to ensure that the funding and resources that are available for transport are used as efficiently as possible. The public sector provides and funds collective transport in a variety of forms, including conventional bus services, healthcare services, social services and education transport. In addition, there is community transport and other voluntary sector collective provision. These services are often provided through different budgets and by different administrative arrangements and can see vehicles underutilised for large parts of the day whilst elsewhere transport needs go unmet. There is scope for greater pooling of budgets and vehicle fleets to provide a single service more cost effectively. Investigation of such an approach was also recommended in the EAC's transport and the accessibility to public services inquiry[9].

8.10.   This Total Transport approach is already being applied in some areas of the UK but so far to a very limited effect. Some countries in mainland Europe have gone much further and pooled public transport, education, healthcare and social services budgets into one pot to provide a single transport service – capable of providing a mainstream service which can also flexibly respond to the needs of particular users.

8.11.   Total Transport on a large scale is probably most easily achieved in isolated communities where most public transport is publicly supported, and where the scale of the administration for currently separate budgets and vehicle fleets is more manageable. This is not to say that such an approach is straightforward to deliver or that it will be a suitable in all circumstances. However, there are a range of experiences, both from the UK and abroad that can be drawn upon. Following the publication of our report into Total Transport[10], we hosted a practitioner event in 2012 aimed at kick-starting the sharing of lessons learnt.

8.12.   Marketing and behaviour change techniques also have a role to play in making transport for isolated communities more affordable by boosting patronage and thereby making services more financially sustainable. Customer engagement and research can help identify passenger needs and motivations and ensure that services provided are the ones people want and will use.

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[7] **pteg** (2013) 'Funding shift – How the regional cities lose out on transport' available from http://pteg.net/resources/types/briefings/funding-shift-how-regional-cities-lose-out-transport
[8] For more see **pteg** (2011) 'Total Transport: Working across sectors to achieve better outcomes' available from http://pteg.net/resources/types/reports/total-transport-working-across-sectors-achieve-better-outcomes
[9] Environmental Audit Committee (2013) 'Transport and the accessibility to public services – Third Report of the Session 2013-14.'
[10] For more on the report and the event see: http://pteg.net/resources/governance/total-transport