



SCOTTISH EXECUTIVE

Transport Research Series

How to Plan and Run Flexible and Demand Responsive Transport Guidance

Transport Research
Planning Group



How to Plan and Run Flexible and Demand Responsive Transport

**Derek Halden Consultancy, the TAS
Partnership and the University of
Aberdeen**

**Scottish Executive Social Research
2006**

CONTENTS

1.0	Introduction	1
2.0	Assessing the Need for Flexible Transport Solutions	2
	Markets for DRT	2
	Assessing the need for DRT	3
	Closing the Gaps	5
3.0	Service design	6
	Wider network coverage	6
	Integrating service design	6
	Vehicles, Branding and Information	7
4.0	Procurement	9
	Choosing the operator	9
	Options for Travel Despatch Centre (TDC)	9
5.0	Legislation	11
	Bus Service Operators Grant	12
	VAT and DRT services	13
6.0	Funding and Partnership	14
	Best value service delivery	14
	Funding sources	15
7.0	Acknowledgements	17
8.0	References and Further Reading	18

1.0 INTRODUCTION

1.1 Public transport is often considered to be inflexible and not suitable for some people. This guidance identifies how to deliver more flexible transport to more people. The starting point is to build from the networks and services we already have. Some fixed services are serving us well, but others need to be redesigned or supplemented with additional or more flexible provision.

1.2 Flexible and demand responsive transport (DRT) includes services which:

- Are booked in advance by users and only run when there are people to carry. These demand responsive forms of transport include taxis, private hire vehicles including airport transfer services, community transport, dial-a-ride and ring-and-ride.
- Are booked or arranged by public agencies to respond to travel needs for patient transport, school transport, social services and employment agencies.
- Run on a fixed route unless people book in advance to request a diversion based on their required travel needs. Flexibility is sometimes only needed at certain times of day or on certain days of the week. These include many rural public transport services and other transport serving areas of low demand.

1.3 These DRT approaches are growing rapidly and are particularly suitable for: low demand routes; passengers who need higher levels of care; and premium services. The development of these markets to date has been characterised by ad hoc investment to fill gaps in networks. With the lessons that have been learned from these services, a more systematic and planned approach can now be taken to DRT development.

1.4 Under the 1985 Transport Act, local authorities have a statutory duty to ensure that public transport network coverage meets local social needs, so there is not just a need, but a legal responsibility, to close gaps. Provision must be practical and affordable so this guidance sets out:

- How to assess reasonable DRT needs
- Alternative delivery approaches based on current and evolving best practice.
- Where to look for further more detailed guidance on detailed issues.

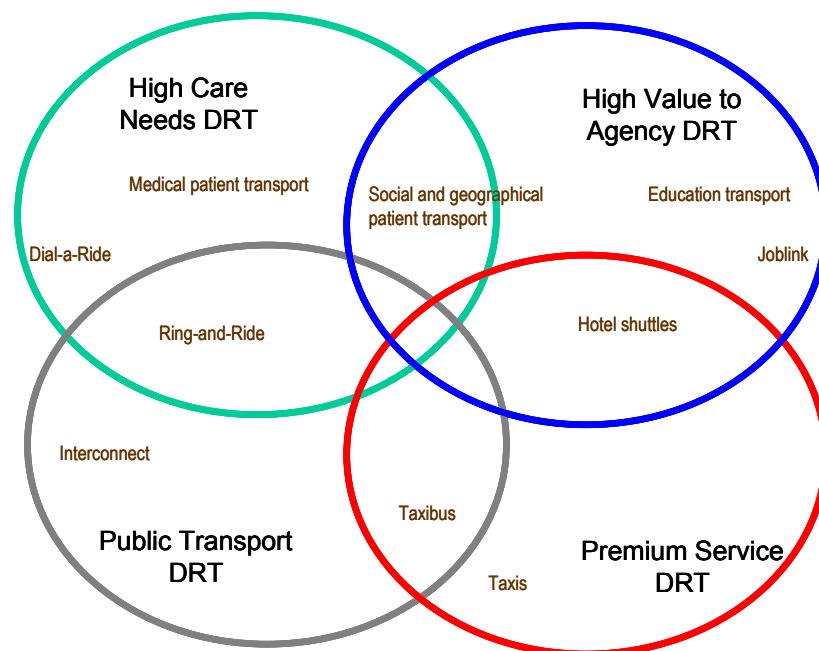
2.0 ASSESSING THE NEED FOR FLEXIBLE TRANSPORT SOLUTIONS

Markets for DRT

2.1 Fixed public transport services are most suitable for core markets where large numbers of people are travelling on the same routes and where no special assistance is required. The need for greater flexibility through DRT is therefore defined by four main markets:

- High care needs – This market is quite diverse to cater for the different care needs of travellers. It includes services for people with disabilities such as Dial-a-Ride and some non emergency patient transport, social services transport, and community transport.
- Best value DRT solutions for low demand public transport – Where demand is low, greater flexibility in the locations for picking up and dropping off passengers can ensure better value services and wider network coverage. Rural DRT services, sometimes called Ring-and-Ride, are examples of this.
- Premium value services – These high value services are defined by the need to reduce travel times, receive a higher degree of customer care and are often door-to-door. These have grown significantly for niche markets such as airport transfer services.
- High value to agency services – These are needed where services are tailored to particular needs of public agencies. These include some patient transport, school transport, joblink services.

2.2 Exploring the potential for expansion of each of these markets is an important function of local authority transport planners. Even where other organisations are primarily responsible for funding and delivery, the local transport authority should ensure that provision is well co-ordinated and that good information is available on services.



Assessing the need for DRT

Identifying the gaps

2.3 The starting point is to assess what gaps there are in current general transport provision. Can all people get to the places they need to access? An audit should therefore be undertaken of known gaps in the networks. These gaps will usually have already been identified by residents, who may have contacted transport operators and/or the local authority to highlight problems. Local authority staff in transport, education, and social services, and their partners within the NHS and enterprise network should collectively already have a good knowledge of many of the most pressing problems.

2.4 It is also helpful to assess the scale of the problem. How many people are affected, and how serious is the problem? Although drive times to local facilities such as GPs, post offices, and regional centres are published nationally for all areas of Scotland, public transport access times are not yet available in this form, so it is necessary to analyse electronic public transport timetable data to identify gaps. There are various proprietary software packages to assist with this (see Scottish Transport Appraisal Guidance Chapter 10).

2.5 It is particularly important for such analyses to consider time of day, since gaps in networks can be very different in the evening or early morning than they are at other times. Analysis of network coverage in peak periods, inter-peak periods and early morning (e.g. 6am) and late evening (e.g. 10pm) should identify the main accessibility gaps. In many rural areas, analysis by day of the week is also needed, but for sparse networks less detailed analysis of service patterns is required to understand network coverage. Gaps in service provision across local authority boundaries are particularly common, so the analysis needs to include services to and from neighbouring authorities.

2.6 Network coverage needs may also relate to visitor travel patterns, and these can be identified by consulting with businesses and agencies working with the tourism and leisure industries.

Better value solutions

2.7 Before assuming that gaps need to be closed with DRT solutions, it is important first to assess the scope for modifying fixed public transport services to close gaps. Some DRT services have failed because they have quickly become overwhelmed with demand when the gap should have been filled with a fixed route service. DRT is rarely an affordable solution for large passenger volumes.

2.8 The location of services and residential locations is constantly changing. Also growing car ownership changes the patterns of demand for public transport. Limited supported services budgets for public transport are therefore under pressure in many ways. DRT can help to stretch the budgets to provide wider network coverage for less funding. However when assessing DRT costs it is important to consider all elements including the higher information, booking and management costs required to ensure residents and visitors to the area can access the services.

2.9 The role of DRT cannot therefore be assessed without first looking carefully at current public transport provision. In addition to looking at gaps in networks it is also necessary to consider subsidy cost per passenger within the supported services

network. This gives a good indication of which services have potential to be replaced with better value DRT solutions. For all services where the total cost of supporting a bus route (including concessionary fare income) exceeds £5 per passenger, the DRT option should be actively explored.

2.10 DRT solutions can also help to improve network value by providing services which complement the fixed route network. The value of providing the DRT services is therefore partly captured through increased income on the fixed route network. The local DRT services are used to feed into public transport hubs to ensure a quality of interchange which is attractive to passengers. When providing these complementary DRT services, consideration of the costs of funding them should recognise both the network coverage benefits and the commercial benefit.

South Fife to Edinburgh Taxibus

The Yellow taxi bus concept promoted by Stagecoach demonstrated that in peak periods DRT can be operated commercially but there are insufficient premium value users to maintain services throughout the day.

Best value in procurement of DRT services therefore requires flexible tendering approaches to ensure complementary operation of supported and commercial services optimising vehicle utilisation.

High care needs

2.11 Even if fixed public transport can meet the needs of most people, there remains a large number of people who require more assistance when travelling. There are therefore well established DRT services for people with a mobility impairment and for specific trips such as travelling to and from hospital for treatment.

2.12 Opportunities exist for vehicles currently used for high care needs to be opened up at different times of day to other users to improve vehicle deployment. For example social services vehicles or community transport minibuses can potentially serve many more people by widening their remit to meet the new and different needs.

2.13 The Audit Commission (2001) has stated that better co-ordination of the high care needs services could yield substantial savings, and that best value reviews by local authorities should not be focused simply on operational aspects of individual services but on the costs to serve the travel needs of all people.

Premium services

2.14 The government wishes to promote choice in transport, and some users wish faster, higher quality or door-to-door options. The taxi industry is the largest provider of such services. Most taxi provision caters for individual customers but in recent years shared taxi provision e.g. for airport transfers, has experienced some growth.

2.15 Taxi licensing by local authorities should address the challenges faced by the industry in raising quality and recognising supply and demand imbalances at particular times of day in some locations. Regulation of fares should recognise that the industry plays a key role in filling gaps in public transport networks in some places.

2.16 Key transport planning considerations are: the location of taxi ranks, fares, vehicle accessibility, other vehicle standards, driver standards, and availability by time of day.

2.17 Local authorities and partner public agencies are also very large purchasers of taxi and private hire trips so can use their position as purchasers to help develop the sector.

High value to agency

2.18 Some public agencies may also wish to purchase premium services to supplement public transport provision. DRT services are often the best way to achieve this.

2.19 Education transport is the largest market for such services. Although fixed public transport can provide for many school, nursery, further and higher education needs there are many situations where bespoke services are needed, and provision is arranged to meet the demands from each location according to student needs.

2.20 In some locations, employment agencies also provide DRT services to supplement public transport provision for people who would otherwise be excluded from employment opportunities due to poor accessibility.

2.21 Transport authorities should recognise that high value to agency services are generally funded under budgets related to specific social and economic policy aims. These relate to very specific gaps in transport networks, and clear definitions of accessibility needs and funding responsibilities are needed in planning these services. In the first instance the presumption should be that transport funding can cater for most needs by ensuring best value on fixed and flexible transport provision as discussed above. Funding from partner agencies can however be crucial in widening the network coverage geographically and by time of day from that which would otherwise be affordable. A critical issue for planning, may be persuading partner agencies that their long-term interests are best served by utilising a shared DRT service in place of exclusive arrangements only carrying their passengers.

Closing the Gaps

2.22 Planning DRT coverage is only the first step. There are many legislative and operational options, and selecting the best approach is essential to ensure that the services are effective in closing the identified gaps.

2.23 Key questions that need to be considered at the outset are:

- What service design meets people's needs?
- Who should be the operator?
- How should booking and despatch of services be organised?
- Under what legislation will the services be regulated?
- Fares, funding and consumer choice
- Options for partnership working.

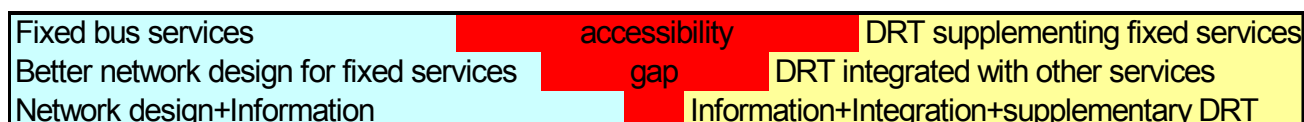
2.24 It is also necessary to keep assumptions under review since the parameters change over time, sometimes quite rapidly. Flexible transport services need flexible management approaches to ensure they can deliver value for money.

3.0 SERVICE DESIGN

3.1 There are three main aspects to service design that need to be considered:

- Meeting people’s needs through wider network coverage
- Integrating service design
- Vehicles, branding and information

Figure 3.1: Closing the Accessibility Gap with DRT



Wider network coverage

3.2 People’s needs are diverse but fixed networks are best at meeting mass markets. The starting point to widen network coverage is to assess the extent to which existing fixed networks reflect present needs of travellers. New development, paralleled with changing expectations and lifestyles, means that transport networks designed in the past may not be optimal for current needs.

3.3 It is important that investment in DRT complements the longer term financially sustainable fixed route service pattern, so expected changes to fixed routes should be examined carefully. In most areas of Scotland there are fixed route bus services operating at low margins and with growing car ownership these are unlikely to remain viable for long.

3.4 DRT design can introduce flexibilities and help to underpin the development of sustainable networks whilst ensuring that transport needs in areas of change continue to be met.

Gaberlunzie in East Lothian

In the mid 1990s the Gaberlunzie service in East Lothian showed how offering route flexibility can help to manage changed network coverage.

The Council recognised that an existing fixed route service was facing a declining market and that wider network coverage was needed to increase viability by opening up access to new and developing markets from new housing.

Although there are continuing concerns about the declining market, the ability to provide wider network coverage during the transitional period has helped to manage the process of change.

Integrating service design

3.5 Gaps in networks have many dimensions: geographical, time of day, physical, cultural, etc. Closing these gaps requires close joint working with:

- Non transport service providers e.g. Jobcentre Plus
- Other established DRT e.g. patient transport
- Other public transport e.g. through local interchanges

3.6 In some cases the network of fixed route services may be viable for much of the day but in times of lower demand certain services could become demand responsive. This is increasingly common in urban networks.

3.7 The ability of local DRT services to successfully provide services from close to people's houses to core public transport routes depends critically on the quality of the interchange between the local DRT service and the core routes. Key elements are high service frequencies on core routes, through ticketing, secure comfortable waiting areas, high quality (ideally real time) information for core routes, and local support and advice e.g. telephone or local staff. Some complementary DRT services have not succeeded due to interchanges not being of high enough quality.

DRT to Work in Highland

In East Sutherland a partnership approach between Highland Council, Jobcentre plus, employers and the Scottish Executive has allowed a network of taxis to be offered to people facing access to work difficulties.

3.8 It is important to tailor the flexibility provided to the needs of users. Many users perceive the fixed elements as more dependable so providing greater flexibility than is needed in service operation can make the services unattractive. A balance therefore needs to be struck between meeting more needs, and meeting fewer needs better, so understanding the existing and potential market is essential.

Table 3.1 Flexibility in Routing

Semi-fixed routes	Depart from an end stopping point (terminal) at prescribed times. Stops at any fixed intermediate stopping points at prescribed times. Deviations to other stopping points upon request.
Flexible routes	Depart from an end stopping point (terminal) at prescribed times. The vehicle only calls at stopping points upon request.
Area-wide services	No fixed end or intermediate stopping points. No scheduled departure times from any stopping point. Limited by operational hours and area limit. Only calls upon request.

3.9 Services should complement other provision as far as possible. However DRT is a growing market and it must be recognised that as markets change there are winners and losers. For example there are opportunities for taxi operators to expand into DRT provision and potential threats to taxi markets from more DRT services.

3.10 Joint working is also needed between public providers of DRT services. Major funders of DRT include the NHS, education authorities and social services departments and protocols for procurement and service delivery need to be agreed. DRT booking centres need to be networked into trip planning for Jobcentre Plus, patient transport, hospital visiting, school travel, further and higher education institutions, and public transport information providers such as Traveline.

Vehicles, Branding and Information

3.11 For DRT to fulfil its potential a culture change is needed in the way it is perceived. In the same way that other modes have evolved in the way they are perceived, DRT needs to expand from its current markets in premium taxi services, arranged transport, and services for elderly and disabled people.

3.12 Most successful DRT has depended heavily on establishing a brand, so that people understand its role – “Joblink” to work, “Interconnect” complementing fixed public transport, and “Wigglybus” for flexible routing. The brand, choice of vehicle, booking centre, marketing and information all need to provide common messages for people to have confidence that services can be used for mainstream travel.

3.13 People are familiar with booking taxis, but building confidence that they can have similar control over public transport involves a culture shift. Common messages from different sources help to build trust emphasising the importance of transport and non transport authorities working closely together at policy, operation and delivery levels.

3.14 DRT delivered through community transport organisations has been particularly successful in delivering the culture change with communities having greater ownership of the services.

4.0 PROCUREMENT

Choosing the operator

4.1 Table 4.1 identifies some key considerations when choosing a suitable transport operator for the DRT scheme. Choice of operator is not independent of service design. For example community transport or taxi operators may only be able to operate efficiently within restricted geographical areas, so tendering processes should seek to widen the choice of operators to avoid inadvertently excluding tenderers who can offer the best value. A review of potential providers should therefore be undertaken as part of the service design and it may be helpful to split the procurement into several smaller contracts.

Table 4.1 – Choosing a Suitable Operator

Operator	Key considerations
Bus companies	Particularly suitable for large scale operations e.g. SPT dial-a-bus and ring-and-ride
Taxi operators	Ideal for small scale schemes and can build from their existing skills providing demand responsive operations. DRT can reduce the market for taxi trips so there should be a general presumption to allow taxi operators to tender for DRT contracts.
Community transport operators	Where there is a strong local community sector able to tender for contracts then procurement strategies should seek to include the CT sector. Key parameters that need to be considered are: <ul style="list-style-type: none"> • The recognised need to support the CT sector to build capacity. • Potentially best value given the lower cost base and overheads. • Often higher risks of failure in the sector mean that management capability will be a key issue. • Few CT groups are able to manage large scale DRT operations
Public agency	Procurement efficiencies may be possible by linking with existing DRT provision such as social services or patient transport services.

Options for Travel Despatch Centre (TDC)

4.2 It is important to remember that the costs of managing the booking of trips and the despatch of vehicles are an integral part of operating DRT services. If people cannot book trips efficiently, then the DRT services will not be successful.

4.3 Key considerations in planning the TDC are:

- Simple approaches work very well and vehicle deployment can often best be planned manually by a local manager.
- Wide awareness of the booking centre is essential and where possible a single number should be used.
- Location and staffing are important to ensure DRT operations are networked with other transport services and wider community organisations. The local manager should be skilled in networking and joint working, to help schemes build new markets. Local knowledge of road networks is important for dispatchers of vehicles so that issues such as roadworks and road congestion at particular times of day are considered.

4.4 However new technology is transforming the ability to deliver efficient DRT services on a larger scale. The largest TDC in Scotland is located in Strathclyde Passenger Transport offices. This manages the booking and dispatch of over 6000 trips per week

4.5 TDCs should seek to harness technology already in use. The widespread availability of mobile phones in the community offers great potential for dynamic communication on trips.

4.6 The image of DRT, as well as its future delivery, can be transformed by using mobile phone text messages to book and confirm trips, and across Europe there are various such schemes developing.

4.7 Even for providers and managers TDC technology should be compatible with, or an integral part of, other technology systems to ensure that DRT information, planning and supply can be integrated easily with other transport operation.

Harnessing Emerging Technology

A trial in Liverpool, allows users to book a taxi by sending a “text” message.

The scheme is intended to address a shortage of taxis in the city at certain times of day by arranging shared taxis which leave from fixed pickup points.

Instead of queuing for a taxi, individuals are invited to ‘text’ the service, which automatically assigns them to a shared taxi with a fixed fare per person.

Technology is also opening up markets so that booking does not need to be tied to a specific provider. Provider-specific services tend to be vulnerable and less able to cope with peak demand.

5.0 LEGISLATION

5.1 Legislation aims to protect the people's interests and ensure that services can operate in an orderly manner. Since the flexibility needed from DRT varies according to its market, the legislation needs to reflect the different types of DRT.

5.2 Some DRT involves only limited flexibility e.g. a flexible portion of bus route for restricted hours in the day. In these cases, the existing flexibility in Public Service Vehicle (PSV) legislation can protect the interests of all parties. However a completely different set of parameters is needed for a volunteer car driver using their own car to provide a service. As a result of the different routes by which DRT services have developed, and can now be operated, there are many potential legislative routes.

5.3 Given the complexity of the choices for providers, there have been many problems with interpretation and application of the legislation relating to DRT services. This guidance has been developed in conjunction with the Scottish Traffic Area Office to help planners of DRT select the optimum legislation.

5.4 Table 5.1 summarises the legislation currently being used to provide DRT services in Scotland. The abbreviations used in the Table for the relevant legislation are:

Taxi, Private Hire, Public Service Vehicle or Community Transport

Choosing the wrong legislation for a DRT service can be costly. Unlike PSV operation, taxi services cannot claim their fuel duty rebate through Bus Service Operators Grant.

- S19 – Section 19 permits under the 1985 Transport Act can be issued to organisations concerned with education, religion, recreation, social welfare and other activities of community benefit but only entitles them to carry a defined population (not the general public). The defined population can include those in a geographical area who do not have access to their own private transport.
- S22 – Section 22 permits issued under the 1985 Transport Act are granted for non-profit groups that use unpaid volunteer drivers, to enable them to operate registered bus services for the public using a minibus.
- S1(4) car sharing – Section 1(4) of the 1981 Public Passenger Vehicles Act 1981 allows not for profit contributions to vehicle running costs to be accepted by drivers without bringing this within PSV or taxi licensing. This is the legal basis for social car schemes, ambulance car services, some other community transport activities and is the common basis for small vehicle dial-a-ride operations for people with disabilities.
- Taxi and private hire car sharing – Provisions in the Transport Act 1985 allow operators to offer sharing of private hire cars and taxis licensed by local authorities under the Civic Government (Scotland) Act 1982, at the time of advance booking.
- PSV “O” Licence - Public Service Vehicle (PSV) Operator Licences can be issued to authorise the operation of regular services on fixed routes with flexible sections as well as totally demand responsive services. Less onerous restricted and special restricted licences can be issued to certain minibus and taxi operators.

- Unlicensed operation – This applies where no charge is made, directly or indirectly, for the service, and therefore no ‘hire or reward’ exists, which is the criterion that triggers regulation under the systems in operation within the UK. This applies commonly to social work and home to school transport operated local authorities, and to non-emergency transport operated by the Scottish Ambulance Service. In addition, local authorities can use their own school buses to operate ‘local services’ (i.e. registered local bus services) without a licence under S46 of the 1981 Public Passenger Vehicles Act 1981.

5.5 For more detailed guidance and application forms for PSV operation and Section 19 and 22 Permits see www.vosa.gov.uk. For further information and advice about car-sharing and Section 19 and 22 Permits see www.communitytransport.com.

Table 5.1 Options for Licensing DRT Services

Type of Operation	Operator	Legislative routes
Non emergency medical	Ambulance Trust, Hospital Trust or Primary Care Trust	None usually needed but some trips are sub-contracted to community transport operators who have S19 permits or alternatively use the S1(4) car sharing provisions.
	Private contractor (not usually scheduled service operator)	PSV ‘O’ Licence, Hackney, Private Hire
	Community transport	Section 19, car-sharing, some PSV
Social services transport; employment services transport; disabled/older persons transport	Local council	Licence only needed if charges made or work for other authority, then Section 19
	Private contractor (not usually scheduled service operator)	PSV, Hackney, Private Hire
	Community transport / Age Concern / Disability Organisation or similar	PSV or Section 19, S1(4) car-sharing
	Individual volunteers managed by the council	S1(4) car-sharing
	Taxi or Private Hire operator	Hackney, Private Hire
	Bus operator	PSV
Commercial or supported DRT for general public operation	Bus operator	PSV
	Taxi operator	Special Restricted PSV, Hackney
	Community transport	Section 22 (Section 19 can offer effective cover for target group, but not 100% of public)

Bus Service Operators Grant

5.6 Area based demand responsive bus services, or flexible route sections of otherwise fixed routes registered in Scotland are not eligible for Bus Service Operator Grant (BSOG formerly Fuel Duty Rebate). This means that if a fixed route service is to be replaced with a DRT service then it is important to specify as much ‘fixity’ as possible when registering the service to ensure that BSOG can be claimed for the fixed sections to make the DRT service competitive with the fixed route option.

5.7 Taxibus (Restricted PSV) services, are registered as local bus services and are therefore eligible for BSOG on the same basis as PSV services (i.e. for the fixed route sections only). The same applies to Section 22 services. BSOG is also available for Section 19 services but only when carrying certain groups of passengers. However car share, shared taxis and private hire cars are not eligible for BSOG.

VAT and DRT services

5.8 VAT is currently zero rated for vehicles designed to carry nine passengers or more (in addition to the driver), although there are specific exceptions in relation to vehicles for disabled people and Post Office vehicles (see www.hmrc.gov.uk - VAT Notice 744A). If smaller vehicles (e.g. taxibuses) are to be used for DRT as part of public transport networks then the need to charge VAT to passengers may affect costs, or fare levels, and this needs to be allowed for in any comparisons with larger vehicle operation. Of course, many voluntary organisations, and smaller taxi and private hire operators are not registered for VAT at all because their turnover is below the mandatory threshold. This will also affect operating costs, as, unlike VAT registered operations, they will be unable to reclaim the VAT they pay out on the vehicle, fuel and other non-labour costs.

6.0 FUNDING AND PARTNERSHIP

6.1 Travel demand must be paid for, so booking a demand responsive service implies that the passenger, or someone acting on the passenger's behalf is prepared to pay for the full cost of the trip through fares or a combination of fares and subsidy, so that there is a sustainable basis for operating the service. Sustainability is most likely to be achieved if best use can be made of vehicle resources by developing partnerships.

6.2 Under Sections 63 and 88 of the 1985 Transport Act, local authorities are required to consider co-ordination of passenger transport to achieve best value for their transport expenditure to meet public, education and social work needs.

6.3 There have been some successes in applying DRT techniques to aligning different needs in shared service provision, but this is an area of transport management where a step change is needed in levels of partnership working.

Partnership on Social Services

The 'EasyBoarder' services around Stirling, provide off-route stops for social services clients using the service to access day centres

Best value service delivery

6.4 Best value depends on the extent to which people's needs are met – not just how efficiently a particular vehicle fleet is run. In considering the potential for partnership and the scope for DRT to provide more flexible and integrated approaches, synergies between trip making should be assessed for:

- Commercial public transport including concessionary fares provision
- Supported bus services
- Social services transport
- Specialised home to school transport
- Dial a Ride services for disabled users
- Private taxi and community transport solutions funded by public agencies
- Non emergency patient transport services, particularly that part with low care requirements
- Other community transport schemes.

6.5 No sector can take on the operational duties of another without receiving appropriate funding. Also many organisations have concerns about accountability if they seek to work jointly with other publicly funded bodies. Sometimes it is easier to achieve partnership working if services are procured jointly from a third party. However, not all remits or responsibilities are tightly defined, and there is a significant amount of discretion in respect of DRT provision, particularly for social welfare and social inclusion purposes, which needs to be explored at a local level to identify the potential for joint working.

6.6 When considering which needs should be funded by which public agency, it is important to distinguish between the core agency remits, their discretionary powers, and their policy objectives which may be met through the provision of DRT services

in response to the different dimensions of social, geographical, and high care needs of travellers.

6.7 For example, eligibility for free non-emergency patient transport services in Scotland, progressively depends upon more tightly defined medical criteria (reflecting the original government guidance), but this implies that other ways will be found for patients to get to hospital. To an extent this is met by individual NHS Boards having hospital travel cost schemes and other initiatives to enable people to gain access to health services, but the role of these is reflected by the availability of public and community transport.

6.8 Similarly, in each local authority area social services funders will target particularly sensitive local care needs, with an increasing pressure to focus on those with the greatest needs. Again, the ability of people to get around who are on the margin of social services interest may depend upon the availability of suitably designed community and public transport services.

6.9 The central role of the transport authority is to clarify which agency is funding which trips, and work with partners to deliver the services in the most efficient way.

Funding sources

6.10 There are many fully commercial DRT services such as taxis, airport transfer services, private hire cars and other high value markets where users cover the full cost of operation. Where fares charged to users cannot cover the full cost, then public agencies can support services in a number of ways. One option is to purchasing individual trips on behalf of the user. This sometimes represents the best value approach but in many cases better value, or the ability to meet particular needs more effectively can be achieved by procuring new services for high care needs, fixed bus service replacement, and to meet other requirements.

6.11 As an evolving mode, DRT is demonstrating that its flexibility can be used to draw funding from many sources. With multi-source funding, sustainability beyond the initial funding periods needs to be managed to ensure ongoing commitment. A key part of DRT management should therefore be the fundraising activities to ensure that each beneficiary from the transport provision contributes an affordable level of funding. Therefore if usage from one particular group of people grows, it is important to ensure that funding is available to support sustainable this growth in the long term, which may include increasing costs to some users to manage demand to sustainable levels.

Table 6.1 - Funding Sources

Source	Budget
Scottish Executive Transport Funding	<ul style="list-style-type: none"> • Bus Route development Grant supporting the transitional costs of developing commercial DRT networks and services. • (Rural/urban) Community Transport Initiative • Concessionary fares scheme for registered DRT services.
Scottish Executive Other	<ul style="list-style-type: none"> • Futurebuilders funding • Social inclusion funding for rural exclusion, regeneration and community planning (various programmes)
Local Authority Transport	<ul style="list-style-type: none"> • Supported services transport funding • Community transport funding • Concessionary fares/Taxicard
Local Authority Education	<ul style="list-style-type: none"> • Special Needs Transport services • School Transport services
Local Authority Social Services	<ul style="list-style-type: none"> • Funding to meet travel needs of social services clients
Local Authority Other	<ul style="list-style-type: none"> • Economic development • Regeneration • Voluntary sector • Youth services • Leisure services
Jobcentre Plus	<ul style="list-style-type: none"> • Travel Information and Journey Planning Fund for improving travel information and journey planning in Jobcentre Plus offices. • Travel to Interview Scheme covering claimants for local journeys costing over £4 on a discretionary basis. • Transport Projects Fund to support employment-related transport projects.
NHS Scottish Ambulance Service	<ul style="list-style-type: none"> • As commissioners of transport for patient needs
NHS Health Boards	<ul style="list-style-type: none"> • Hospital travel costs scheme • Re-imburement of journeys for staff • Staff travel needs as part of hospital travel plans • GPs and health centre budgets
Private businesses	<ul style="list-style-type: none"> • As part of employee travel schemes • Helping employees attend for unsociable hours.
Other	<ul style="list-style-type: none"> • National Lottery grants • EU - Key Fund, LEADER, INTERREG • Local grants • Community funding • Charitable donations

7.0 ACKNOWLEDGEMENTS

7.1 The authors would like to express thanks to all those on the Scottish Executive Steering Group who assisted with this work from local government, the community transport sector, the NHS, the Mobility and Access Committee for Scotland, universities, and the staff from across several Divisions within the Scottish Executive. Their contribution of time and experience has greatly assisted in the development of the guidance.

8.0 REFERENCES AND FURTHER READING

- 8.1 ARTS (2002) Deliverable 2: Barriers in Rural Transport. Version 02. ARTS consortium
- 8.2 Audit Commission (2001) Going Places.
- 8.3 CO-OPERATE (2004) Co-ordinating Individual Action Programmes in Rural Transport Management, EPSRC LINK/FIT Funding Programme: Project No. 125. DHC / Aberdeen University.
- 8.4 CTA (1998) Let's Get Going. An Action Guide for Rural and Community Transport in England. Hyde: Community Transport Association
- 8.5 CTA (2005) – Guidance for Funders of Community Transport
- 8.6 Department of the Environment, Transport and the Regions (1999) From Workhorse to Thoroughbred: A better role for bus travel, DETR, Crown Copyright, London, March
- 8.7 DfT (1986). The PSV (Registration of Local Services) Regulations, as amended
- 8.8 DfT (1998) A New Deal for Transport, available at www.Dft.gov.uk
- 8.9 DfT (2003), Department for Transport : Transport Trends 2003, available at www.dft.gov.uk
- 8.10 DfT (2003b) Advice Note: Section 19 of the Transport Act 1985, Department for Transport, March 2003
- 8.11 DfT (2004) The Public Service Vehicles (Registration of Local Services) (Amendment) (England and Wales) Regulations 2004.
- 8.12 DfT (2004) – Guidance on Accessibility Planning in Local Transport Plans
- 8.13 EMIRES (2004) project details available at: <http://www.ncl.ac.uk/torg/Emires>
- 8.14 Enoch, M; Potter, S; Parkhurst, G; Smith, M (2003) INTERMODE: Innovations in Demand Responsive Transport, Department for Transport and Greater Manchester Passenger Transport Executive, Draft report
- 8.15 European Commission (1999a) DGXIII Telematics Application Programme Transport Sector: SAMPLUS Guidelines For Implementation Of a SAMPLUS system: Standards to Adopt and Results to Expect
- 8.16 FAMS (2004) Demand Responsive Transport Services: Towards a Flexible Mobility Agency, Ambrosino, G., Nelson, J., Romanazzo, M. (Eds.), ENEA, Rome
- 8.17 Halden, D, Farrington, J, and Copus, A (2001) Rural Accessibility –Scottish Executive
- 8.18 Lyons, G. (2003) Transport and Society – Inaugural Lecture, UWE, May 1st 2003
- 8.19 Masson, B. (2003) Rural Innovation, Presentation at Scottish Transport Studies Group Conference, Perth
- 8.20 Nelson, J.D. (2003) Recent Developments in Telematics-Based DRT, Paper presented to IVT- Seminar, July

- 8.21 Scottish Executive (2004) Scotland's Transport Future, The Transport White Paper, Edinburgh.
- 8.22 SEU (2003) Making The Connections, ODPM, London.
- 8.23 Stewart S (2003). New Initiatives in Bus Travel by Stagecoach. Buses and Accessibility in Scotland Conference. Perth.
- 8.24 TAS (1993) Rural Transport Needs Assessment. Unpublished paper for the Rural Development Commission
- 8.25 Tyler (2003) Accessibility and the Bus System. Thomas Telford.

ISSN 0950 2254
ISBN 0 7559 6061 0
(Web only publication)

www.scotland.gov.uk/socialresearch

The text pages of this document are produced from 100% Elemental Chlorine-Free material.
The paper carries the Nordic Ecolabel for low emissions during production, and is 100% recyclable.

Astron B46933 5/06

