

Section 19 and 22 Permits Consultation

1. The County Councils Network is the voice of England's 37 county authorities. A cross-party organisation, CCN develops policy, commissions research, and presents evidence-based solutions nationally on behalf of the largest grouping of local authorities in England.
2. In total, the 27 county councils and 10 unitary councils that make up the CCN represent 26 million residents, account for 41% of England's GVA, and deliver high-quality services that matter the most to local communities.
3. Whilst we recognise the efforts that the Department for Transport have historically put into supporting community transport, it is regrettable that the Department's hands could be tied in the future as a result of the recent court ruling. CCN members are extremely concerned that in the future the change in regard DfT has for the terms non-commercial and not-for-profit could fatally disrupt the various business models developed by the community transport sector, and which ensure that they can continue to deliver services to vulnerable residents and people living in rural areas.
4. In recent years, councils have faced huge financial pressures: in balancing their budgets, many councils have or are planning to reduce spending on a range of services, including buses. The loss of these services have often been most keenly felt by residents in rural areas.
5. County councils with significantly rural areas have been lucky that community transport providers have been able to step in and provide some of these services, especially on routes that are no longer tendered by the commercial sector.
6. Rural areas make up 85 per cent of the land in England and 9.8 million people (19 per cent of the population) live in areas that the ONS has recognised as being rural (areas falling outside settlements with more than 10,000 resident population).
7. Rural areas have on average 23.5 per cent of their population over 65 compared with 16.3 per cent of urban areas aged over 65. Areas with the highest proportions of older people include Cumbria, Devon, Dorset, Lincolnshire and Somerset.¹

¹https://www.local.gov.uk/sites/default/files/documents/1.39_Health%20in%20rural%20areas_WEB.pdf

8. We are concerned that if enacted, the new regulations could collapse community transport provision in many areas. This will hit rural areas disproportionately hard, where residents are reliant on volunteers to replace services that councils are unable to support themselves.
9. Between 2011 and 2017, CCN member expenditure on transport and highways has declined by more than £100m per year. If the reach of the community transport sector is reduced as a result of these changes, council will face the invidious choice of either having to pay a full commercial rate for services, or leaving residents without services they have come to rely upon.
10. Whilst this is beyond the scope of the consultation as the DfT have understandably decided to redraw regulations to comply with the ruling, we would urge DfT to continue to engage with councils, especially as the and carefully monitor the impact of any changes that the department choses to proceed with.
11. Should the fears that councils have come to pass, we would welcome the chance for urgent discussions with the department and our members about how community transport provision can best be support by councils and the government in the future.
12. Please see below our response to questions 3 and 6, which we believe are the most relevant to us as a member organisation rather than a community transport provider.

Q3 Do you have any views on whether and how the category “minor impact on the transport market because of the short distances involved” could be used in practice.

13. It is well established that rural residents travel longer distances than their urban counterparts and spend longer travelling.² Community transport is often used by residents in rural areas not just to access medical appointments, but to provide access to employment, education and leisure activities.
14. We are concerned that a strict definition mileage definition for community transport providers could create significant problems in rural areas. Many of these areas have significant geographical features (e.g. hills, rivers) meaning that community transport providers undertake longer journeys so that residents so that they can continue to access services. A strict mileage limit would mean that these would have to be tendered on a commercial basis, increasing the costs to councils for the provision of essential services.

² https://www.local.gov.uk/sites/default/files/documents/1.39_Health%20in%20rural%20areas_WEB.pdf

Q6 Based on how the Department proposes to interpret the exemptions to the Regulation, do you think that there could be impacts for specific groups in society?

15. The benefits of community transport provision is well understood: it meets a need for vulnerable residents in receipt of adult social care services to access services in a convenient manner, providing access to health care and leisure activities, supporting a more active and healthier lifestyle. Services such as Dial-A-Ride helps enable our residents to live longer and well at home. Community transport helps prevent earlier and a greater number of adult social care and public health interventions, which would come at a great social and financial cost.
16. In many areas home to school transport (HTST) is also provided by community transport providers. Having these services provided by community transport providers helps councils to reduce the cost of providing these services. This is vital for an operating environment where in 2017 county councils spent £93 on average per pupil on HTST, compared to an average of £10 per pupil for buses and other transport in cities.
17. In addition to impacting on people in receipt of adult social care and who are at school, these changes could have a significant impact upon people living in rural areas for the reasons outlined above. In many areas community transport is often the only viable alternative form of transport to cars, and our members do not want to see much-loved services having to close as a result of these proposed changes in regulation.
18. We are concerned that if the current model is fatally disrupted by the change in regard for the terms non-commercial and not-for-profit, that councils will be faced with community transport providers that have higher running costs, or that these contracts would only be tendered on a commercial basis, which would similarly result in a rise in costs for councils. This would further add to the current financial pressures that councils are under, as acknowledged by a recent National Audit Office report.³

³ <https://www.nao.org.uk/press-release/financial-sustainability-of-local-authorities-2018/>