



CTA Manifesto 2024

Discussion Paper #3

Investing in Community Solutions

February 2024

www.ctauk.org

Investing in Community Solutions

National Challenges

Small-scale, short-term and fragmented sources of income have created a funding treadmill for Community Transport operators, which diverts valuable time and resources to a constant cycle of applying for grants, and makes it difficult to plan for the long-term as well as recruit, retain and invest in staff and volunteers.

Community Transport has to supplement insufficient local or devolved government grants with passenger fares, membership fees, charitable grants and donations. Income raised by our sector can be limited, because operators keep fares and fees low to keep services affordable and tackle transport poverty.

As non-profit operators working within limited budgets, the Community Transport sector has become highly cost-effective while navigating an increasingly perilous financial landscape. **But operators now face an almost impossible balancing act.** Both the [COVID-19 pandemic](#) and the cost-of-living crisis have simultaneously rocketed operating costs, negatively impacted charitable giving and increased demand for our services as more and more people turn to us as times get tough. Only 55% of charities are confident they can [meet their current overheads, including energy, rent and supplies](#).

Grant income, on which the sector is so dependent, typically fails to keep pace with inflation or contribute to core costs, such as administrative capacity or utilities, and staffing costs, such as increases in the [National Living Wage](#) or [real Living Wage](#). Community Transport staff deserve to earn a fair wage, but [fair work and fair funding are inextricably linked](#).

Wages for staff in the Community Transport sector are already low. People working for charities earn on average [7% less per hour](#) than their counterparts in the rest of the economy. With better financial support, the sector could become more competitive in remuneration, increasing its attractiveness as an employer and effectiveness at meeting its goals.

At the same time, **cuts to bus services are increasing demand for Community Transport.** [Half a million UK homes across now have no access to a regular local bus](#). In England, between March 2021, when the Bus Back Better Bus Strategy was launched, and March 2023, [23% of bus services were lost](#). In Wales, around [10% of bus routes ceased in 2023 alone](#). Over the last 15 years, bus services have [declined by an incredible two-thirds](#) in some areas.

[Community-owned buses](#) can replace some of these lost services, but where is the support for local groups to enable them to do so? Central government has an essential role to play in ensuring devolved and local governments have the powers and resources they need to invest in Community Transport's growth.

These devastating cuts are taking place at a time when the [need for accessible transport](#) is rising. Our population is ageing and major illness in the older population is increasing. The number of people aged 65 and over increased from 9.2m in 2011 to over 11m in 2021. The likelihood of being

in good health decreases with age, whilst the [likelihood of having a disability increases](#). One estimate of the projected number of people in ill-health will [rise by 37% over the next two decades](#), and 80% of the projected increase will affect people aged 70 and over.

Managing these pressures is achievable, but only with careful planning and long-term investment in a new partnership with Community Transport. **We need a radical shift towards [fair, adequate and multi-year funding](#) which keeps pace with inflation, contributes to core operating costs and sets flexible conditions.**

Community Solutions

We're calling on the next UK Government to:

- ✓ **Work with devolved and local governments to deliver fair, adequate and multi-year funding for the Community Transport sector**, which keeps pace with inflation, contributes to core operating costs and sets flexible conditions, to longer-term give confidence and security for operators, staff, volunteers and passengers.
- ✓ **Ensure Community Transport is part of key government schemes and partnerships**, like national strategies, Bus Service Improvement Plans and the £2 bus fare cap.
- ✓ **Enforce the [2012 Public Services \(Social Value\) Act](#)** to ensure the procurement of public services, including transport contracts, considers and evaluates the social, economic and environmental value delivered by Community Transport.
- ✓ **Support and provide start-up funding for local community-owned buses** to replace lost routes when commercial, municipal or supported services are withdrawn.

Join the Campaign for Change

Make Your Voice Heard

Visit www.ctauk.org/manifesto2024 to learn more about how you can be part of our campaign for change.

Show Your Support

Spread the word and show your support for our Manifesto by sharing it on social media. Remember to tag us [@CTAUK1](https://twitter.com/CTAUK1) on X (formerly Twitter) and use the hashtag [#CommunitySolutions](https://twitter.com/CommunitySolutions).

Get In Touch

If you'd like to talk or collaborate, email us at policy@ctauk.org to arrange a conversation with one of our team about how we can work together.

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