

This report presents findings from a follow-up survey of community transport operators conducted in June 2026, assessing the ongoing impact of sustained high fuel prices on the sector. Results are compared with findings from the CTA's initial fuel crisis survey published in April 2026, from operators across England.

1. Executive Summary

Two months on from the CTA's initial fuel crisis survey, the picture facing community transport operators remains serious. Fifty-five organisations responded to this follow-up survey, providing a detailed snapshot of how the sector has been managing in the intervening period. The findings show that while some operators have found ways to maintain service levels, the financial strain has not eased, and a significant proportion of the sector faces an uncertain future.

41%

Made Reductions to
services

46%

Increased Passenger
Fares

50%

Used Reserves or
absorbed the costs

29%

Expect further cuts or
service closure

Key findings from the follow-up survey are:

- More than four in ten respondents (41%) have had to make at least one reduction to their services since the onset of the fuel crisis, including reducing hours, cutting geographic coverage, carrying fewer passengers, or turning passengers away.
- 46% have increased fares or passenger contributions, and 42% have drawn on organisational reserves to cover the shortfall.
- 7% of respondents report being at serious risk of permanently closing one or more services, and a further 22% expect to reduce services further in the coming months.
- Only one organisation in the sample received an uplift from commissioners when approached, reflecting the limited support available through existing funding channels.
- The government's decision in May 2026 to increase the HMRC Approved Mileage Allowance Payment (AMAP) rate from 45 pence to 55 pence per mile is welcomed by the sector as a step in the right direction. However, survey responses make clear that 55 pence per mile remains insufficient at current fuel prices, and the increase has in some cases raised the cost to passengers without yet stemming volunteer attrition.
- The most commonly requested government actions are a reduction in fuel duty for community transport operators and increases to the Bus Service Operators Grant (BSOG).

"We have had to increase our prices, and we cannot operate trips if we do not have full capacity, so trips are getting cancelled if people drop out. Approximately 100 people have been left disappointed." — CT Operator 1

2. Context: Comparing April and June 2026

The April 2026 report, compiled from 291 responses, found a sector already under acute financial pressure. At that point, 88% of respondents had already experienced increased fuel costs, 53% could sustain services for no more than one to three months without raising fares, and many were drawing on reserves while hoping for government intervention.

This follow-up survey, conducted in June 2026, captures what has actually happened in the weeks since. It reflects the experiences of 55 operators who have continued to navigate rising costs and, in many cases, have now had to take difficult decisions about their services and finances.

The two surveys are not directly comparable in scale (291 responses in April versus 55 in June), and the follow-up survey was targeted at a similar audience of CTA members and contacts. The findings should be read as indicative of continued sector-wide pressures rather than as a statistically representative sample.

3. Impact on Service Delivery

In April 2026, service reductions were beginning to be reported but many operators were still absorbing costs in the short term. The June 2026 data shows that this position has shifted: a substantial minority of operators have now made concrete changes to what they deliver. Respondents were able to select more than one option.

Service Change	April 2026 (indicative)	June 2026
No changes required	Majority still holding	59%
Reduced hours or days of operation	Emerging	13%
Reduced geographic coverage	Emerging	9%
Reduced number of passengers carried	Emerging	6%
Turned passengers away or introduced waiting lists	Emerging	13%
Withdrawn or permanently closed services	Very limited	0%
Other service changes reported	—	26%

While the absence of permanent closures in the June data is positive, it masks significant operational strain. The “other” category, at 26%, includes operators imposing minimum passenger thresholds before running trips, increasing costs, restricting journeys to essential medical travel only, and reducing the frequency of social and wellbeing trips. These changes do not appear in headline service reduction figures but have real consequences for passengers.

"We have to monitor how many people are booking on for our services and if it falls below five passengers for each booking then we have to cancel. Same if we only get one or two people from a certain area and it is not cost effective for us to travel out to them." — CT Operator 2

Volunteer car schemes continue to face a particular challenge. The government announced in May 2026 that the HMRC Approved Mileage Allowance Payment (AMAP) rate would increase from 45 pence to 55 pence per mile, a change the CTA and the sector had lobbied for. This is a welcome development after fifteen years without any increase. However, the June 2026 survey responses

indicate that the uplift has not resolved the underlying pressures. Some organisations report that implementing the higher rate has increased their operating costs and, in turn, raised the contributions they charge passengers, without yet producing a corresponding increase in volunteer recruitment or retention.

"Since the fuel allowance has been increased, this has increased the cost to all passengers. As yet there has been no increase in the number of willing drivers but demand has increased."

— CT Operator 3

"Further increase the AMAP to fully cover the costs. We cannot ask for a higher contribution from passengers due to the AMAP limit, but passengers comment on how little they contribute and would certainly be willing to offer more."

— CT Operator 4

4. How Operators Are Managing Costs

The range of financial responses adopted by operators reflects the diversity of the sector, from large Dial-a-Ride services to small volunteer car schemes. The most common responses in June 2026 are set out below.

Financial Response	Proportion of responses
Increased fares or passenger contributions	46%
Used reserves to cover the shortfall	43%
Absorbed the cost without making changes	41%
Approached commissioners or funders for an uplift	11%
Applied for emergency or unplanned funding	6%
Reduced staff hours or costs to offset fuel expenditure	2%

These figures are consistent with the picture from April 2026, where cost absorption from reserves was widespread and fare increases were anticipated but not yet universally implemented. The June data shows that fare increases have now become a reality for nearly half of responding operators. When reviewing the responses **50% of organisations had not passed any price increase and had either used reserves or absorbed the costs**, a position that, as the April report made clear, is unsustainable over any extended period.

Notably, only six operators approached commissioners or funders for an uplift, and of those, only one received confirmation of full approval. Five remained waiting for a response at the time of the survey. This reflects a persistent gap in available financial support through formal channels.

"Our main funding from the County Council has remained static in cash terms for over 12 years. Their argument is that other services are being cut so they cannot justify an increase. Funding to Councils would have to increase to help us."

— CT Operator 5

5. Outlook: What Operators Expect Next

When asked what they expect to happen to their services in the next six months, respondents were split between cautious optimism and serious concern.

Expected Outlook	Proportion of responses
Expect to continue running services at the same level	44%
Do not know	26%
Will likely have to reduce services further	22%
At serious risk of having to close one or more services permanently	7%

The April 2026 report found that 53% of operators could sustain services for no more than one to three months without raising fares. The June data, taken around two months later, shows that a significant proportion have now had to raise fares or make service changes. Yet 44% are still expecting to maintain current service levels, suggesting an ongoing reliance on reserves.

However, the 29% who either expect to reduce services further or are at serious risk of permanent closure represents a significant concern. These are real services serving real people, many of whom have no alternative means of transport. And the 26% who simply do not know what will happen reflects the ongoing uncertainty that makes planning and recovery extremely difficult.

"We are at serious risk of having to close one or more services permanently."

— CT Operator 6

"We will likely have to reduce services further. We cannot absorb these increased costs so we are having to pass them on to clients."

— CT Operator 7

6. What Operators Are Asking Government to Do

Respondents were asked to identify the single most important thing government could do to protect community transport from the ongoing impact of fuel costs. Responses fell into a number of clear themes.

Fuel Duty Relief for Voluntary and Community Transport

The most common request across the survey was for a reduction in fuel duty for community transport operators, or for an exemption similar to the red diesel concession that applies in other sectors. Several respondents suggested a mechanism tied to pump price thresholds, with relief triggered automatically when average prices exceed a defined level.

- "Remove VAT on fuel for CTA users."
- "Give the voluntary sector a special exemption on fuel duty for voluntary transport."
- "Look at how much of the fuel price is taken in Government taxes and reduce this, maybe through discounts at the pump or a community transport version of red diesel."

Increases to the Bus Service Operators Grant or Direct Funding

Multiple respondents called for an increase in the rate of the Bus Service Operators Grant, with several specifically requesting that the uplift be made permanent rather than temporary. Some asked whether an uplift was available as an emergency measure. Along side this a number of respondents called for direct grant support, either as emergency one-off funding or as part of a more stable, longer-term funding settlement.

- "Increase the value of the Bus Service Operators Grant."
- "Increase the BSOG Limit."
- "Temporarily increase the rebate on the BSOG Grant."

Further Increase to the HMRC Approved Mileage Rate

The government's announcement in May 2026 of an increase in the AMAP rate from 45 pence to 55 pence per mile is acknowledged positively by respondents, and the CTA welcomed this long-overdue change. However, the survey evidence is clear that 55 pence per mile still does not adequately reflect the actual cost of running a private vehicle at current fuel prices. Several respondents report that implementing the higher rate has raised the cost to passengers without yet producing a corresponding improvement in volunteer recruitment or retention. Others note that the ceiling still prevents organisations from offering full cost coverage to volunteers even where they would wish to do so.

- "Give a bigger increase to the 55p per mile. It does not even touch the costs of journeys."
- "Further increase the AMAP to fully cover the costs. Our passengers pay a contribution towards drivers' expenses but we cannot ask for more due to the AMAP limit."
- "Since the fuel allowance has been increased, this has increased the cost to all passengers, but as yet there has been no increase in the number of willing drivers."

Transition Support for Electric Vehicles

A smaller number of respondents noted that transitioning to electric vehicles would provide lasting insulation from fuel cost volatility, but that the capital cost of vehicle replacement is prohibitive for most small organisations.

- "Give us grants to help us move from petrol and diesel to electric."

7. Emerging Themes: What Has Changed Since April 2026

Comparing the two surveys reveals a number of important shifts in how the sector is managing and what it fears most.

From Anticipation to Reality

The April 2026 report captured a sector bracing for impact, with many operators still absorbing costs and hoping for swift government action. The June 2026 findings show that, for many, the anticipated pressures have now materialised. Fare increases that were planned or discussed in April have now been implemented by 46% of follow-up respondents. Service changes that were "under review" are now in place.

Reserves Are Being Depleted

The April report warned that drawing on reserves was unsustainable beyond one to three months. The June data confirms that 43% of follow-up respondents have now drawn on reserves. For some, those reserves will be running low. The risk of organisational insolvency, highlighted in April as a theoretical future concern, is now more immediate for several operators.

Passenger Impact Is Now Visible

In April, a recurring theme was that passengers had not yet felt the impact because operators were shielding them from cost increases. In June, that shield is eroding. Passengers are paying more, waiting longer, being turned away, or losing access to social trips altogether. The people most affected are those on low or fixed incomes, including older and disabled passengers who depend on community transport as their primary means of getting to healthcare and essential services.

Government Support: Partial Progress but Insufficient

The April report set out three priority actions for government: urgent review of the HMRC mileage rate, emergency grant funding, and attention to rural vulnerability. Since April, one partial step has been taken: the HMRC AMAP rate was increased from 45p to 55p per mile.

However, the June follow-up survey demonstrates that this has not been sufficient to halt the deterioration. Operators are still raising fares, depleting reserves, and in some cases facing the prospect of permanent closure. The AMAP increase, while meaningful in principle, has in practice raised costs for some organisations and passengers without yet stemming volunteer attrition. The other actions requested, emergency direct grant funding or recognition of rural challenges, have not happened.

8. Conclusions and Recommendations

The follow-up survey confirms that the community transport sector remains in a state of significant financial stress two months after the CTA's initial fuel crisis report. While no permanent closures were recorded in the June sample, service reductions are widespread and accelerating. The financial buffers that many organisations relied on in April are now thinner, and the prospect of permanent closures is real for a small but significant proportion of respondents.

The CTA welcomes the government's May 2026 increase of the HMRC AMAP rate to 55 pence per mile and the extension of the BSOG uplift. These are meaningful steps. However, the follow-up survey demonstrates that further action is still required. The CTA's three priority recommendations from April 2026 remain largely unaddressed in their substance.

The follow-up survey does not simply repeat the April recommendations: it confirms with new evidence that those recommendations were correct and that the case for acting on them has grown stronger

Recommendation 1: A Further Increase to the HMRC Approved Mileage Rate

The CTA welcomes the government's decision to increase the AMAP rate from 45 pence to 55 pence per mile. This is a positive step and reflects the advocacy of CTA and the broader sector over many years. However, the June 2026 survey responses make clear that 55 pence per mile remains insufficient at current fuel and motoring costs. The AA estimates the true cost of running a private vehicle at around 68 pence per mile. For volunteer car schemes, the AMAP ceiling prevents them from reimbursing volunteers at the full cost of each journey even if they have the funds to do so. In some organisations the 55 pence rate, while better than 45 pence, has increased the cost burden on passengers without yet arresting the decline in volunteer numbers. CTA calls on the Treasury to commit to a further uplift and to establish a mechanism for the rate to be reviewed regularly against actual motoring cost data, rather than remaining static for extended periods.

Recommendation 2: Emergency Grant Funding or Enhanced Fuel Subsidy

The follow-up survey confirms that the extended BSOG uplift has not been sufficient to prevent fare increases, service reductions, or reserve depletion across the sector. Emergency grant funding,

targeted at community transport operators facing acute financial pressure, is needed as an additional measure alongside the BSOG. Any mechanism should be designed to be accessible to small charities and volunteer car schemes, which face the greatest risk but often have least capacity to navigate complex application processes.

Recommendation 3: Sustained Attention to Rural Vulnerability

Rural community transport operators continue to face disproportionate cost pressures, longer journey distances, limited alternatives for passengers, and higher local fuel prices. Any support mechanism must be designed with explicit consideration of the rural context. A blanket approach that treats all operators as equivalent will systematically underserve the communities that most depend on community transport.

The community transport sector provides essential lifeline journeys for people who cannot use conventional public transport. It does so at the margins of financial viability in ordinary times. The fuel crisis has eroded those margins further. The follow-up survey shows a sector that is adapting as best it can but that cannot do so indefinitely without targeted support. The window for preventive action is narrowing.

The CTA remains committed to working with the Department for Transport, HMRC, and other stakeholders to protect and sustain community transport provision across England. We are grateful to all respondents who took the time to complete the follow-up survey and whose responses inform this analysis.

Appendix: About the Follow-Up Survey

The follow-up survey was conducted by the Community Transport Association over 1 week in June 2026. It was distributed to CTA members and contacts across England who had participated in or expressed interest in the original April 2026 fuel crisis survey. These survey results were analysed on 29 June 2026, with 55 valid responses received.

Respondents included a wide range of community transport service types, including dial-a-ride and door-to-door services, voluntary car schemes, community bus services, and group travel and day trip operators. Organisations ranged from small volunteer-run groups to larger registered charities with paid staff and multiple service types.

The survey asked four questions: what service changes, if any, had been made as a result of increased fuel costs; what financial management steps had been taken; whether approaches to commissioners or funders had been successful; what the organisation expected to happen in the next six months; and what single action government could take to protect community transport from the impact of fuel costs.

The April 2026 report cited in this document was produced by CTA from 291 survey responses and submitted to the Department for Transport. It is available from the CTA on request.