Thinking about Rural Transport:

Implications of an International Review of Rural Transport undertaken for the CRC

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THINKING ABOUT RURAL TRANSPORT

IMPLICATIONS OF AN INTERNATIONAL REVIEW OF RURAL TRANSPORT

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1 EXECUTIVE SUMMARY

This Thought Piece emerges from the International Review of Rural Transport Practice carried out by STAR Independent Consultants Limited (STAR) on behalf of the Commission for Rural Communities (CRC) in 2009. In general, the authors found a scarcity of research and reporting on rural transport developments throughout the world. Much transport research is devoted exclusively to urban transport, for example, this is the case with the major transport research archives of the World Conference for Transport Research (WCTR) and for the European Transport Conference (ETC).

Where research into rural transport occurs, especially outside Europe, North America and Australasia, there tends to be an almost exclusive focus on rural transport in its most basic sense, i.e. linking rural areas with local and regional service hubs in order to provide essential services and trade possibilities to rural citizens. In many cases, this entails the provision of adequate roads allied to the most basic of human or animal powered vehicles. Naturally, this research is very valid within its own context, but the authors consider that is has little *practical* application for Rural England. Inevitably, the focus was, therefore, concentrated on Europe, North America and Australasia, although rural transport still represents a small part of the body of literature devoted to transport research.

Much of the literature relating to rural transport research and rural transport experimentation is found within the UK and the authors suggest the following explanations:

- The UK has been at the forefront of experimentation in rural transport provision over the past two decades (via initiatives such as the Rural Transport Partnership, Rural Bus Challenge, Kickstart, etc.)
- Rural transport research and experimentation is less prevalent owing to the lower numbers of people benefitting from rural transport as opposed to urban transport
- Other European countries, for example, Germany and the Netherlands, have traditionally invested higher expenditure in

rural transport and have only recently felt the need to commission rural transport research in order to ensure best value for money within a worsening global economic climate

In conclusion, we consider that:

- There are some potential initiatives to encourage innovation in rural transport provision in England

- There is potential to provide a more comprehensive and more viable rural transport service in England

- It will be important to cover a full range of journey needs, both to satisfy consumer demand and to maximise income. Currently the majority of needs catered for are for those people who are out of work or retired; the challenge is to incorporate journeys to work and training, etc.

- Climate change, fuel cost fluctuations and other global trends have the potential to overwhelm rural transport initiatives.

- The deregulated and privatised legislative framework and operating environment for (rural) transport in England makes the direct transfer of schemes from more regulated environments very problematic.

- There is little direct and relevant evidence from the international review to inform the development of funding and delivery models for transport in Rural England – we cannot simply import a model for implementation. Here in England, we have been good at trying out new approaches but not with the (financial) commitment necessary to make a long-term difference

- Some case study examples, however, have emerged which offer valuable evidence for CRC and Rural England, most notably those in the Netherlands, Northern Ireland, the Republic of Ireland and Germany.

- There are innovative funding and delivery models to be considered, especially in the light of the election of the new Coalition government and the subsequent review of policies for and structures for spending within transport

In this Thought Piece we take the emerging issues and conclusions from the International Review and look in greater detail at the implications for the future of transport in Rural England. We develop further some of the key issues emerging with particular regard to potential funding and

delivery models. We hope that these will inform the current debate about funding structures and sources for transport provision. For a fuller consideration of the issues uncovered within the international review, please consult the Main Report [1].

2 POTENTIAL FUTURE MODELS

We suggest that a typology of rural areas will assist in determining the most appropriate type of rural transport intervention. The Office for National Statistics Rural / Urban definition uses 'sparse' and 'less sparse' area types, but we feel that for transport analysis a further disaggregation is required. The four types of rural area suggested are:

- *Deep rural* - which is for the most sparsely populated and geographically remote rural areas

- *Coastal rural* - which applies to those areas along the coastal strip, which can be expected to suffer from an ageing population, a seasonal employment market and, in some areas, tourist influences

- *Industrial rural* - which encompasses, for example, former or declining industrial areas set amongst otherwise rural locations. Examples would be the coalfields areas of North Nottinghamshire, Derbyshire and Kent and coastal port regions

- *Commuter rural* - which applies to those rural areas adjacent to cities, towns and conurbations which do not belong politically, geographically or demographically to the conurbation, but whose major raison d'être is to act as a commuting dormitory for that conurbation. These areas might also be reasonably described as 'Travel To Work Areas' or 'city regions'. Around Greater London these areas might stretch up to 80 miles; around other conurbations, some 5 – 15 miles.

It is our contention that not all types of implementation model are appropriate for each of these terrains and that different funders will be attracted to one or more of the varying terrains for investment. The future challenge for Rural England will be to ensure that funding schemes and investment programmes can be instituted which will meet the travel and accessibility needs of each of the four terrains.

We consider that there are a number of implementation programmes which could form a future solution to the transport and accessibility problems currently encountered in Rural England. These are:

a. Rural Transport Forum
b. Rural Transport Programme
c. Rural Transport Innovation Fund
d. Regional Transport Partnerships
e. Programme of Pilot / Demonstration Projects
f. Buurtbus – integrated community bus services
g. Capacity Building / Training Programme
h. Rural Kickstart
i. Low Cost Innovation
j. Brokerage / Integration

These programmes are laid out in more detail in the following sections.

a. Rural Transport Forums (RTFs)

Regionally (or sub-regionally) -focussed Forums comprising partners from key sectors with policy-making powers and funding decisions at the strategic level to develop and fund (rural) transport programmes ensuring connectivity between rural residents and services and connectivity between urban and rural transport networks

The advantage of this approach would be the development of a body bringing together practitioners at the strategic level, including local authorities, the private sector and the third sector, to debate and develop policies for transport investment and implementation within the region. We anticipate that the new Local Enterprise Partnerships would be well placed to lead the formation of these bodies and encourage the necessary cross-sector working. The partnership working which such an approach foresees would directly address the intended co-operation between different partners, especially with the involvement of the business sector; it also links to the recent Local Transport Act and the Review of Sub-national Economic Development and Regeneration. The latter foresaw a transfer of funding and policy-making powers from the regional to the sub-regional level which the new Coalition government seems certain to accelerate. The great advantage would be that a coherent and integrated policy could be developed and adopted which would impose a coherent framework on the implementation and funding of transport throughout the region. Actual implementation could take place at the sub-regional level, or could be devolved further to the local level, or with suitable cross-boundary cooperation could take place at the regional level.

Major disadvantages would be the fact that such a Forum would need to overcome rivalries and conflicts of interest not only between the different sectors involved, but also between the particular geographical interests of local authorities. Similarly, new legislation would be required to allow transport planning and investment

decisions to be taken by this new body. The major disadvantage would lie in the fact that without these policy-making and investment powers, the Rural Transport Forum programme could end up as nothing more than a 'talking shop'.

The Rural Transport Forum proposal would, however, have valid application for each of the rural terrains identified.

b. Rural Transport Programme

Sub-regional Transport Intervention Funds & Programmes – applying the transport investment options undertaken within the RTFs and applying them at the regional and sub-regional levels, in order to develop a series of (rural) transport services to meet the strategic connectivity objectives established at the strategic level. Alternatively, such programmes could follow the patterns of the Rural Transport Fund in Northern Ireland and the Rural Transport Programme in Ireland.

This model foresees the development of one or more Rural Transport Programmes which could be applied at the sub-regional level within Rural England. These programmes could operate in tandem with Rural Transport Forums - the latter developing transport and accessibility policies and the former actually implementing the necessary transport and accessibility services. Two innovative case studies from Northern Ireland (Rural Transport Fund) and the Republic of Ireland (Rural Transport Programme) could provide a pattern for development of transport schemes and enhancement of rural transport services within Rural England. Both of these case studies are primarily concerned with raising standards in the third sector and allowing for an extension of service within rural areas, whilst encouraging a mainstreaming of third sector transport activities.

Within Rural England it would be preferable to expand the programme to include commercial bus operators, as well as extending the range of services provided to allow for journeys to aid economic regeneration as well as social inclusion travel, which tends to form the focus of the schemes in Northern Ireland and the Irish Republic. The major advantages of the programme would be the raising of standards within the third sector and rural transport in general, as well as the extension of rural transport supply. The Programme would be best applicable in 'coastal rural', 'industrial rural' and 'deep rural' terrains. A model already exists of such a Programme – the Access Alliance Programme which operates in Nottinghamshire and Derbyshire (see www.accessallliance.co.uk).

c. Rural Transport Innovation Fund

A competitive funding programme akin to the recent Transport Innovation Fund (TIF) funding rounds which would apply specifically to rural areas, allowing partners to apply for innovative funding schemes at a regional or sub-regional or local level

This funding programme would be different from that envisaged under e) below, as it specifically calls for innovation to tackle rural transport needs in England. A Rural Transport Innovation Fund would allow local authorities and transport operators to bid for funding to implement innovative rural transport schemes to meet the needs of rural residents, which should involve a high level of partnership working and offer a reasonable prospect of future viability. The rationale behind this model would be threefold:

- that the market within England's deregulated bus industry has failed to provide for many rural accessibility and transport needs
- that previous Bus Challenge and Kickstart schemes have failed to provide viability for many rural transport schemes; and
- that innovative rural transport solutions may well be a way of developing transport and accessibility solutions in rural areas which would have a good chance of future viability.

Providing an efficient and cost-effective rural transport system is a major challenge for transport policy-makers and practitioners.

d. Sub-Regional Transport Partnerships

Funding programmes to be developed at the sub-regional level to meet the rural transport and accessibility needs of a particular community, especially for access to jobs and training to assist in economic regeneration. An existing example is the Access Alliance Programme in North Nottinghamshire and North Derbyshire.

One initiative funded by the East Midlands Development Agency (emda) through the former Alliance Sub-regional Strategic Partnership is the Access Alliance Programme (AAP), running from November 2006 to November 2010. This Programme is managed by STAR and aims to encourage economic prosperity and economic and social inclusion through the development and / or commissioning of sustainable transport initiatives throughout the former coalfield areas of North Nottinghamshire and North Derbyshire. To date, this initiative has funded over 50 schemes. The AAP funding programme bridges the gap between mainstream transport provision (whether commercially operated or subsidised by the local transport authority) and the third sector. It encourages partnership working between the sectors and encourages the third sector to think in more enterprising ways. It is not

intended to duplicate mainstream transport services, but can be utilised to enhance or develop existing 'big bus' solutions. It also aims to encourage LTAs to think outside the 'big bus box' when evaluating transport financing priorities.

This could form the pattern for rural transport programme development in Rural England, addressing many unmet rural transport and accessibility needs, including the economic regeneration agenda, in a coherent and integrated fashion. Schemes funded under the Programme are required to demonstrate their future viability, which might involve, for example, mainstreaming of local authority public support. A disadvantage is that the programme cuts across the traditional pattern of transport funding by local authorities, who may not wish to relinquish their role in this area. Although this concept has been demonstrated in an industrial rural area, the programme should be equally applicable to all four of the rural terrains identified.

e. Programme of Pilot / Demonstration Projects

A programme of pilot and demonstration projects to test new concepts in rural transport with a view to establishing viability and replication throughout Rural England. An example would be the taxi-bus demonstration recently proposed by a Commission for Integrated Transport (CfIT) report and the 10 Pilot / Demonstration Projects in rural transport funded by the Federal German Government 2002-05

This Programme may be differentiated from that envisaged under c) above, as it does not necessarily focus on innovation in rural transport per se; rather it would concentrate on tried and tested measures, or packages of such measures in order to address the rural transport needs in England.

This Programme would allow a number of key concepts in rural transport to be tested out in Rural England with the potential for replication of those concepts which prove to be most efficient in accessibility (and economic) terms. The funding body could either call for open tenders to develop and implement specific transport schemes in designated rural areas of England for which it (the funding body) had developed tender specifications. Alternatively, the funding body could allow prospective scheme promoters to bid for funding to provide transport and accessibility schemes in Rural England which they (the scheme promoters) have themselves devised. Finally, the funding body could commission schemes against a specific number of tenders which it had drawn up itself and also allow additional bidding for remaining funds for schemes devised by the bidders.

Examples of potential pilot / demonstration projects could include a taxi-bus project as proposed in the recent CfIT Report; marketing and information initiatives; integration of transport resources; and development of new / the markets for transport services. Such a Programme is likely to have more impact in the rural terrains other than 'commuter rural'. Successful bidders would not have to bring forward innovation, as in the case of the proposed Rural Transport Innovation Fund, but would be expected to bring forward schemes to address rural transport and accessibility problems with good potential for viability.

f. Buurtbus – integrated community bus services

A community-based bus scheme fully integrated with the commercial operations of the private sector. The pattern has been established within the Netherlands, of volunteers from the third sector working for commercial operators where the commercial operator has the franchise to provide certain locally / sub-regionally based rural transport services.

In the Netherlands a community bus concept, which was originally introduced in Norfolk in the mid 1970s[2], has been rolled out in the more rural provinces, including Friesland. These 'Buurtbus' community buses were introduced when conventional bus services were withdrawn from rural communities. The Buurtbus provides scheduled services, with passengers paying a flat fare to travel.

The transport operator holding the franchise agreement for an area provides the vehicles and pays the operational costs of providing the service – the novel element of the service is that the driving is undertaken by local volunteers. It is in the operator's interest to treat the volunteers well, as if the Buurtbus service folds as a result of a lack of volunteers, the operator would be required to run it as a conventional route.

There may be potential for such a concept to be reintroduced in rural England, which would link in with conventional bus networks. Such services might operate as feeders into mainline bus and train services or operate as stand-alone services. Trialling such an approach would require interest from a 'big bus' operator as well as creative thinking from a transport authority which would procure the service. It should be borne in mind, however, that many community transport operations in England tend to integrate paid and volunteer drivers in the provision of services and there may be a reluctance on the part of volunteers to shift their allegiance to a large outside organisation rather than the long-established local community transport operator. In addition, the

recruitment and retention of volunteers in this country has become increasingly difficult – whether the promise of working for a 'commercial' organisation would offer more or less incentive to potential volunteers remains to be seen.

Such a programme would find most meaningful application in 'deep rural', 'coastal rural' and 'industrial rural' terrains.

g. Third Sector Capacity Building / Training Programme

The third sector has begun to embrace the need to explore opportunities which reduce their dependence on grant funding. Training and capacity building are very important to ensure that the third sector is willing to be socially enterprising and able to expand its operations within the spectrum of (rural) transport service provision.

In order for affordable and efficient rural transport to be made available on the widest basis, it will be necessary to ensure that the third sector is fully integrated within the process and able to offer its services within the spectrum of rural transport services. In some cases the third sector contribution will be their 'traditional' service offer such as dial-a-ride and minibuses principally run for social inclusion journey purposes. In other cases, they will mainstream their services and attempt to offer a full range of transport for all journey purposes, as well as bidding for and operating contracted services where their operating costs are likely to keep their contract costs competitive. Despite the efforts of the Community Transport Association (CTA) and other bodies to train the third sector and encourage entrepreneurship, we consider that a countrywide programme of education and support for the third sector will be necessary in order to ensure that community transport organisations are able to develop high levels of entrepreneurship. The training could include, for example:

- Financial systems
- Employment legislation
- Raising and maintaining standards of operation and delivery
- Developing multi-purpose transport services

Such a programme should lead to the development of a coherent and integrated, high quality, third sector which is able to make a significant contribution to the planning and delivery of appropriate rural transport services.

There are, however, uncertainties about the level of social enterprise which can be accommodated within the third sector, especially given the fact that social enterprises need to be run fully along commercial

business lines in order to generate sufficient surpluses from their revenue-generating activities to be able to cross-subsidise their core activities. Some critics of the trend towards social enterprise in the third sector maintain that ultimately there will be a few 'mega-sized' social enterprise community transport operations which have effectively 'swallowed up' their rivals – not unlike the situation in the privatised bus market post-deregulation.

The issue of the use of volunteers within a more commercial environment would also need to be resolved. Volunteers may be less likely to offer their services if they considered that the organisation for which they were working was akin to a commercial operation. Indeed, the whole distinction between third sector transport services and commercial operations could become very blurred if the former were seen to be offering low cost commercial operations.

h. Rural Kickstart

A Kickstart programme of pump-priming funding specially tailored to the access needs of rural areas, but also paying attention to the difficulties of achieving transport scheme viability within the rural context. Although Kickstart Challenges organised by the Department for Transport under the previous government allowed for rural areas and the third sector to be involved and targeted within submissions for funding, their guidelines also acknowledged that viability is unlikely to be achieved unless the local authority is willing to underwrite the future costs of provision after Kickstart funding has ceased. The Programme suggested here would allow viability to be achieved in more innovative, achievable and appropriate fashions

A Kickstart programme funded by the Coalition government would be an acknowledgement of the particular transport and accessibility needs within rural areas. It would allow the pump-priming of accessibility solutions within rural areas, whilst encouraging a high degree of partnership working and co-operation to ensure that high levels of viability can be achieved once the initial funding has ended. We feel that existing Kickstart programmes are only likely to address inter-urban or 'commuter rural' travel needs, as operators and local authorities alike will be concerned over the ongoing requirement for financial support for deep rural transport schemes. The participation of third sector transport services would be particularly welcomed in this proposed programme - although they are not excluded from the existing Kickstart programme, it is unlikely that many proposals will come forward from that sector owing to the need to achieve either commercial viability or a guarantee of future financial support from a local transport authority.

i. Low Cost, Innovation and Cost-effective Rural Transport Solutions

A series of low-cost, innovative transport solutions designed to provide for the needs of rural residents with linkage to nearest service centres and / or transport needs with the maximum vehicle utilisation possible. Pilot projects would establish the value of such schemes which have the potential either to reduce costs of rural transport operation or to provide rural transport solutions where they would otherwise be prohibitively expensive.

Within the current straitened financial circumstances it is important that schemes which are developed to provide transport solutions within rural areas are both sustainable in the future and provide efficient and cost-effective solutions to rural transport problems. Examples of the types of schemes which could be considered as alternatives to conventional bus networks are Flexibus and Low-Cost Demand Responsive Transport (DRT) solutions. The first of these would see the development of a rural transport service to be operated by a (fleet of) accessible vehicle(s) which would be tendered out for operation and would provide a variety of different transport services throughout the working day and beyond, designed to meet the particular rural transport needs of a wide cross-section of the rural population. The Flexibus could, for example, provide the following range of service provision in the course of a weekday operation:

- Access to employment
- Access to education
- Access to day centres
- Access to sporting events
- Return from day centres
- Return from education
- Return from employment
- Evening access to sporting / cultural events

Such flexible use of vehicles has the potential to address a wide range of rural transport needs at low cost, owing to the high level of vehicle utilisation. This type of operation has been pioneered in Norfolk, for example in Wymondham.

Low-cost rural DRT, based upon taxi services or Community and Voluntary Sector operations, has the potential to address rural transport needs, especially in deep rural areas, at minimal cost as the key components of the service are that:

- It potentially operates at defined dates and times in given localities
- It provides links to the nearest service centre or transport node

- It only operates in service (and hence requires a payment to the operator) when a demand has been expressed in advance

Such a system which has been successfully operated in Leicestershire overcomes the two key problems faced by more conventional rural DRT schemes – how to avoid paying for vehicles and drivers which do not run as there is no expressed demand and / or how to avoid running lightly loaded or empty vehicles around at high operating costs.

A series of additional low cost rural transport service interventions is envisaged which could provide a sustainable future for rural transport at low costs. Pilot schemes could be financed with pump-priming money under the innovative funding schemes outlined above.

j. Brokerage / Integration

A programme of integration of all resources within the three (private, public, voluntary) sectors, and also of those resources currently outside the transport sector, such as Primary Care Trust transport resources. The aim would be to ensure that primary transport needs can be met by conventional transport resources with the demonstration of maximum cost effectiveness and efficiency, but that those transport and accessibility needs which cannot be met satisfactorily by conventional means would draw upon the other resources available, both in terms of rolling stock, infrastructure and personnel

This approach foresees an increasing trend towards centralised Public Transport Unit administrations within LTAs, supported by a model of main route services support. For people who cannot use conventional vehicles, or for residents of those areas where the main route services are unable to operate on a sound financial footing, joint working should be instituted between commercial operators, the local transport authority (LTA), the third sector and ambulance services. A clearing house, which ideally should be independent of the LTA to ensure no vested interest comes into play, would then determine an individual's travel and / or accessibility needs and entitlement to transport (on a demand responsive basis) for social, health, education, employment or training purposes. This would be supported by a booking and vehicle scheduling system supported by framework contracts with private sector suppliers and service level agreements with the public sector and the third sector. This could provide the basis for a very effective and efficient level of partnership working. A Single Point of Contact (SPOC), as piloted in Devon, would provide one contact phone number or contact point for anyone wishing to secure a journey – the transport clearing house would then assess which would be the most effective and efficient way of providing transport to meet that particular expressed need.

One danger could be that the system would become too unwieldy and bureaucratic. Another could be that the owners of the transport resources would jealously guard their fleets and would not wish them to be commandeered for the common good.

The programme would apply to all rural terrains other than 'commuter rural', where we would expect main route service provision (with LTA financial support if required) to be the majority service provider.

3 MODELS AND TERRAINS

Table 1 summarises the rural terrains in which each proposed model is considered applicable.

Table 1 Applicability of Models by Demography

	Demography			
Model	**Deep Rural**	**Coastal Rural**	**Industrial Rural**	**Commuter Rural**
RT Forum	Y	Y	Y	Y
RT Programme	Y	Y	Y	P
Rural TIF	Y	Y	Y	P
Rural Partnerships	Y	Y	Y	Y
P/D Programme	Y	Y	Y	P
Buurtbus	Y	Y	P	N
Capacity Building	Y	Y	Y	P
Rural Kickstart	N	P	P	Y
Low Cost Innovation	Y	Y	Y	P
Brokerage	Y	Y	Y	N

Key: Y=Yes N=No P=Perhaps

4 FUNDING STREAMS

Table 2 sets out the different funding streams which the authors consider could be accessed, against the rural terrains which are most likely to attract support from the funders. The potential (or existing funding streams) are:

- European Union (EU)
- National Government

- Local Enterprise Partnerships (LEPs)
- Shire Local Transport Authorities (LTAs)
- Unitary Authorities
- Integrated Transport Authorities (ITAs) / City Regions
- Local Area Agreement (LAA) / Multi Area Agreement (MAA) Processes
- Commercial Sector

Table 2 Potential Funding Streams

	Demography			
Funding	**Deep Rural**	**Coastal Rural**	**Industrial Rural**	**Commuter Rural**
EU	P	P	P	P
National	Y	Y	Y	Y
LEP	N	P	P	P
Local	Y	Y	Y	Y
ITA / City Regions	N	N	N	Y
RTP	Y	Y	Y	P
LAA / MAA	Y	Y	P	N
Commercial	N	N	P	Y

Key: Y=Yes N=No P=Perhaps

The European Union would be expected to continue to provide financial support for (rural) transport initiatives through funding schemes such as the European Regional Development Fund (ERDF) and the LEADER programme, although the timing and level of funding and the support for particular transport applications would remain uncertain. Potentially support could be extended by European Union programmes to all four rural terrains identified.

The national government at Westminster (through the Department for Transport, Department for Environment Food and Rural Affairs, and the Department of Communities and Local Government) would be expected to bear the brunt of the funding requirements for the rural transport programmes outlined within this paper. A strong case would need to be made that the programmes to be supported would deliver social inclusion and economic regeneration outputs at reasonable unit cost, would deliver significant improvements to rural accessibility, would engender sound partnership working and would be able to achieve high levels of viability. National government funding would apply to all

four rural terrains. The major benefit for the Coalition government would be the provision of funding and delivery models which have the potential to provide viable and sustainable future transport solutions for rural areas, but which could not arise spontaneously without the low-cost pump-priming foreseen here.

Regional Development Agencies (RDAs) previously displayed high levels of autonomy and took widely differing positions with regard to the funding of transport initiatives. Some currently fund no transport schemes; some fund schemes embracing social inclusion; some fund schemes for economic regeneration purposes; etc. Following the Review of Sub-national Economic Development and Regeneration, there was no certainty that RDAs will be involved in transport support in the future, as there would appear to be a requirement for them to devolve their actions to the most appropriate level, which in transport terms, they may conclude to be the sub-regional level. Where RDAs did make transport funding available it was generally applicable in 'commuter rural', 'coastal rural' and 'industrial rural' areas. It is not yet clear what precise form the Local Enterprise Partnerships (LEPs) will take to replace the RDA structure; we feel it would be wrong for the new LEPs to ignore the potential to develop innovative and cost-effective rural transport. A high level of partnership working and business engagement would be necessary in order to deliver the benefits to business which the LEPs are likely to require.

LTAs would be expected to have a major future role in the allocation of funding for rural transport - their remit would extend over all rural terrains. Unitaries, Integrated Transport Authorities (ITAs) and City Regions would make a contribution to rural transport principally in 'commuter rural' terrains.

Where funding is extended through the Local Area Agreement / Multi-Area Agreement process it is likely that support would be principally for 'deep rural' and 'coastal rural' areas, with some applicability in 'industrial rural' areas.

The commercial sector is likely to be principally interested in funding transport in 'commuter rural' areas owing to the higher levels of passenger traffic, although some investment in 'industrial rural' areas could also be anticipated.

Where Rural Transport Partnerships and / or Programmes are implemented, investment is likely to occur in all rural terrains, though to a lesser extent in the 'commuter rural' areas.

5 RECOMMENDATIONS

Following on from the International Review of Rural Transport, the authors have a number of recommendations to put forward:

- There is a demonstrable need for innovative investment to develop sustainable rural transport for the medium to long term future. Current patterns of investment and implementation do not contain long term viability and with the current changes to and split responsibility for governance in rural transport, it is vital that one or more agencies grasp the initiative in order to safeguard future rural accessibility.

- Climate change, fuel cost fluctuations and other global trends have the potential to overwhelm rural transport initiatives; therefore, rural transport investment and implementation must be future-proofed to ensure that it will remain viable.

- There is an underclass developing in Rural England with limited accessibility which, in the absence of adequate rural transport services, is reliant upon lifts from friends, relatives and neighbours in order to access key services and thus take a full part in community life. This can partly be addressed by bringing more services to the community, but that can only address part of the problem – good transport links are required to enable individuals to function fully in society.

- There is an urgent need for action to address the issue of rural accessibility; there is an urgent need for properly directed funding and investment to address that problem

- The economic recession and climate change mean that the scope of rural transport should be widened from addressing purely social exclusion needs to be more mainstream and embrace the economic regeneration agenda

- New markets need to be developed for rural transport. Although we argue in favour of pump-priming innovative investment, we do not believe that an everlasting open-ended subsidy is the right way to address the issues. By seeking new markets, rural transport may be made more viable, which aids the national and regional economies, whilst offering hope for a viable future provision of rural transport.

- The innovative investment funding could take the form of 'core' funding (at a level to be determined, but 50% would seem

reasonable) with the balance to be provided by the scheme promoters from additional funding sources.

- There has to be a realisation that although capital investment in rural transport is desirable and necessary, it is equally important to provide adequate revenue support, albeit on a sliding scale, to enable proper implementation and ongoing rural transport delivery. In other words, it is not possible to run a transport service even with the best vehicles and infrastructure, if there is insufficient revenue funding to pay for labour and fuel.

- A review of the Rural Bus Subsidy Grant (now worth almost £60m annually to local authorities to spend on rural bus services) is overdue. Rural Bus Subsidy Grant and Rural Bus Challenge were evaluated back in 2005. An updated review, to take account of the other initiatives outlined within this Thought Piece, is now required. It is necessary to determine whether a blanket subsidy grant such as Rural Bus Subsidy Grant is appropriate to meet the rural transport challenge of the future, which may well rely on more innovative solutions.

Notes

[1] James, N., Waldron C. (2009) International Review of Rural Transport Practice, Final Report, STAR Independent Consultants Ltd for *Commission for Rural Communities*

[2] This concept was introduced by the Eastern Counties company in Norfolk in 1976, using a nine-seat minibus driven by volunteers trained to PSV standards.