UTS Institute for Public Policy and Governance

Accelerating Innovative Local Transport:

Community transport of the future

Final Report

December 2021

About this document

This document is the final report of a collaborative research project conducted by the UTS Institute for Public Policy and Governance in partnership with ITS Australia.

The research has been jointly funded by UTS, government and industry partners together with the iMOVE CRC and supported by the Cooperative Research Centres program, an Australian Government initiative.

Project partners

Authors

The **Institute for Public Policy and Governance** is an independent, interdisciplinary research and consulting organisation within the University of Technology Sydney whose purpose is to shape policy, governance and decision-making for the public good. For further information about IPPG please visit our website.

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Glossary

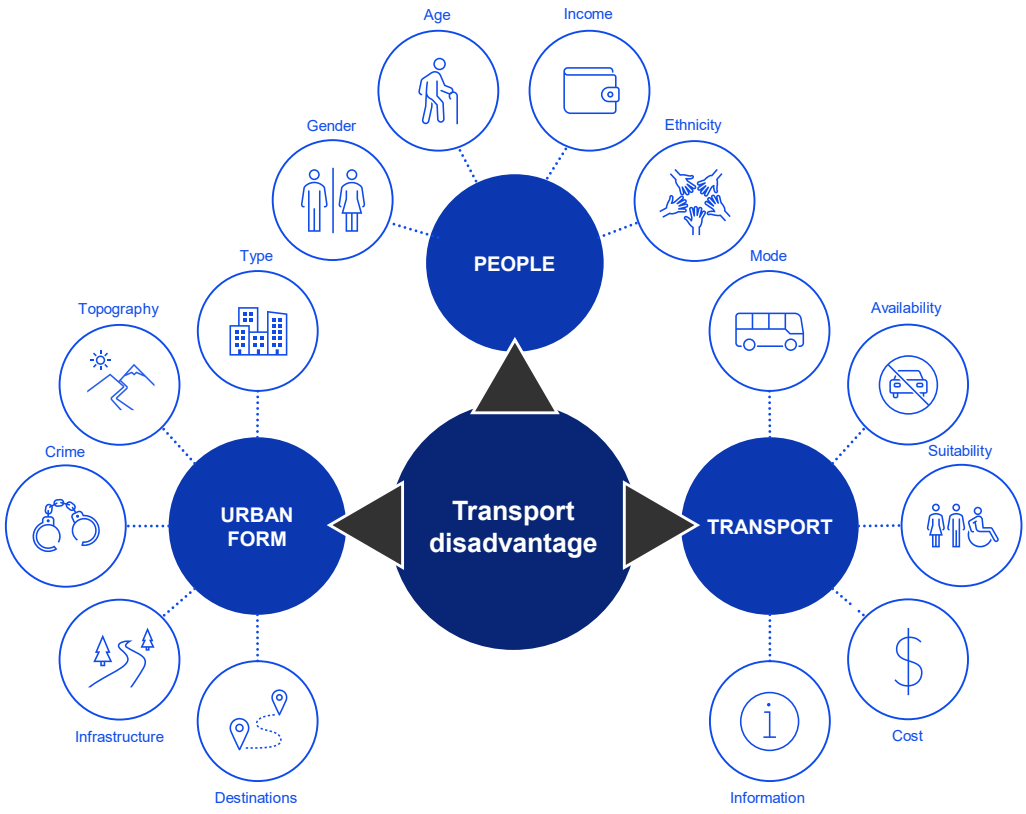
ABS	Australian Bureau of Statistics
ACQSC	Aged Care Quality & Safety Commission
ACTA	Australian Community Transport Association
AIHW	Australian Institute of Health and Welfare
CHSP	Commonwealth Home Support Program
CT	Community transport
DoH	Department of Health
DRT	Demand-responsive transport
HACC	Home and Community Care Program
IPPG	Institute for Public Policy and Governance
MaaS	Mobility as a Service
NDIS	National Disability Insurance Scheme
NHS	National Health Service (UK)
PCF	Person-centred funding
TfNSW	Transport for New South Wales
UTS	University of Technology Sydney
WHO	World Health Organization

Executive summary

Transport disadvantage and the role of community transport

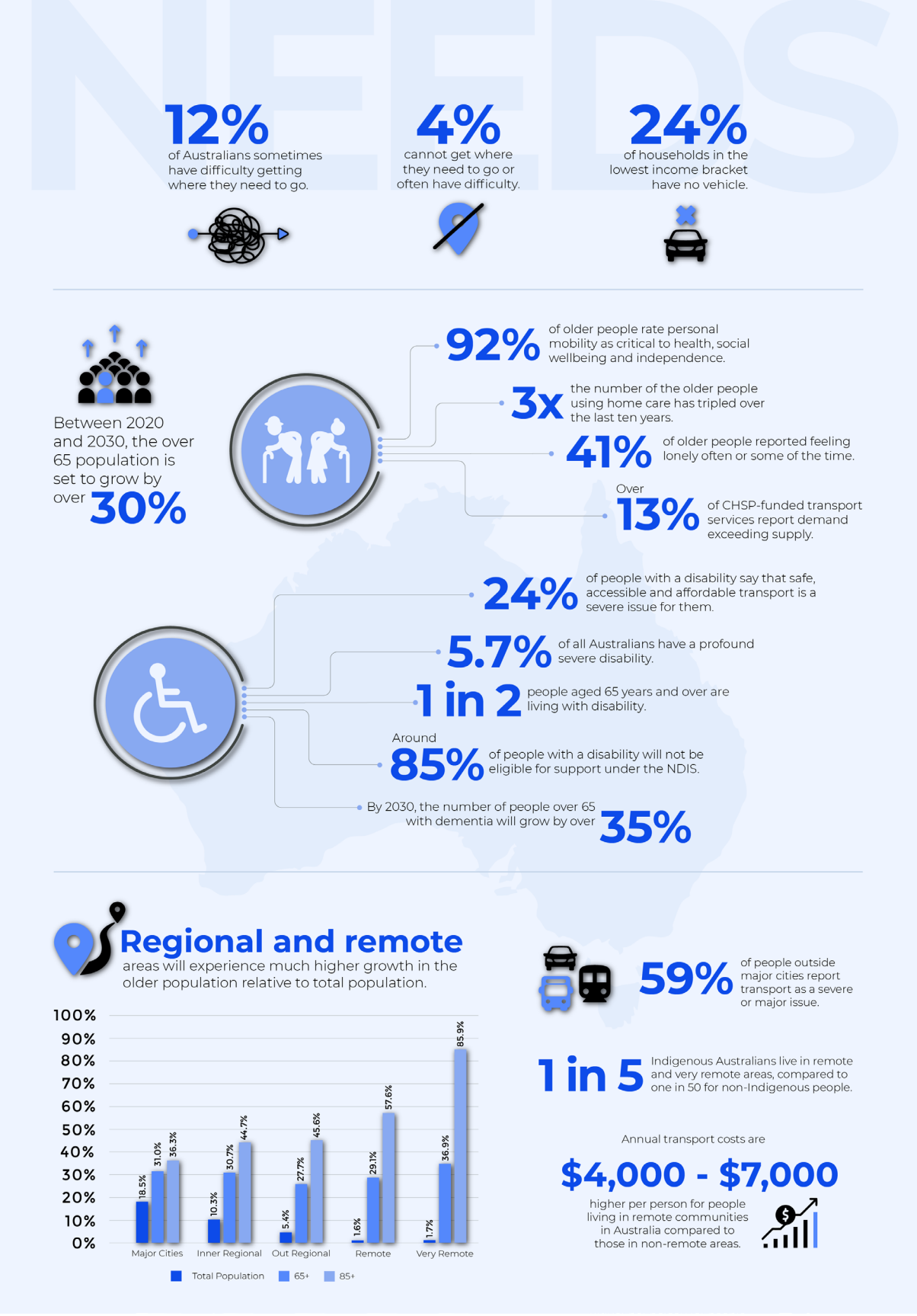
- Transport disadvantage is a truly complex problem. Older people, people with disability and those living in rural and remote areas are among the most likely to experience difficulties with access and mobility, but there are a wide range of causal factors and forms of exclusion that can make it difficult for people to access and use transport.
- Many people will also fall into combinations of these categories and have particularly complex needs or be more likely to experience compounding disadvantages.
- The challenges associated with transport disadvantage are set to grow significantly in the coming decade, particularly because of an ageing population and consequent increases in people with complex needs that require assistance to travel.
- There are many diverse and intersecting funding sources and services available, across policy domains, from national down to community level, which aim to address transport disadvantage.
- Major government programs, especially Commonwealth funding programs for aged care and disability supports, provide a substantial portion of funding available to the community transport sector and in practice many community transport services are structured to respond to these programs and the customers whose needs they target.

Key factors that impact transport disadvantage:



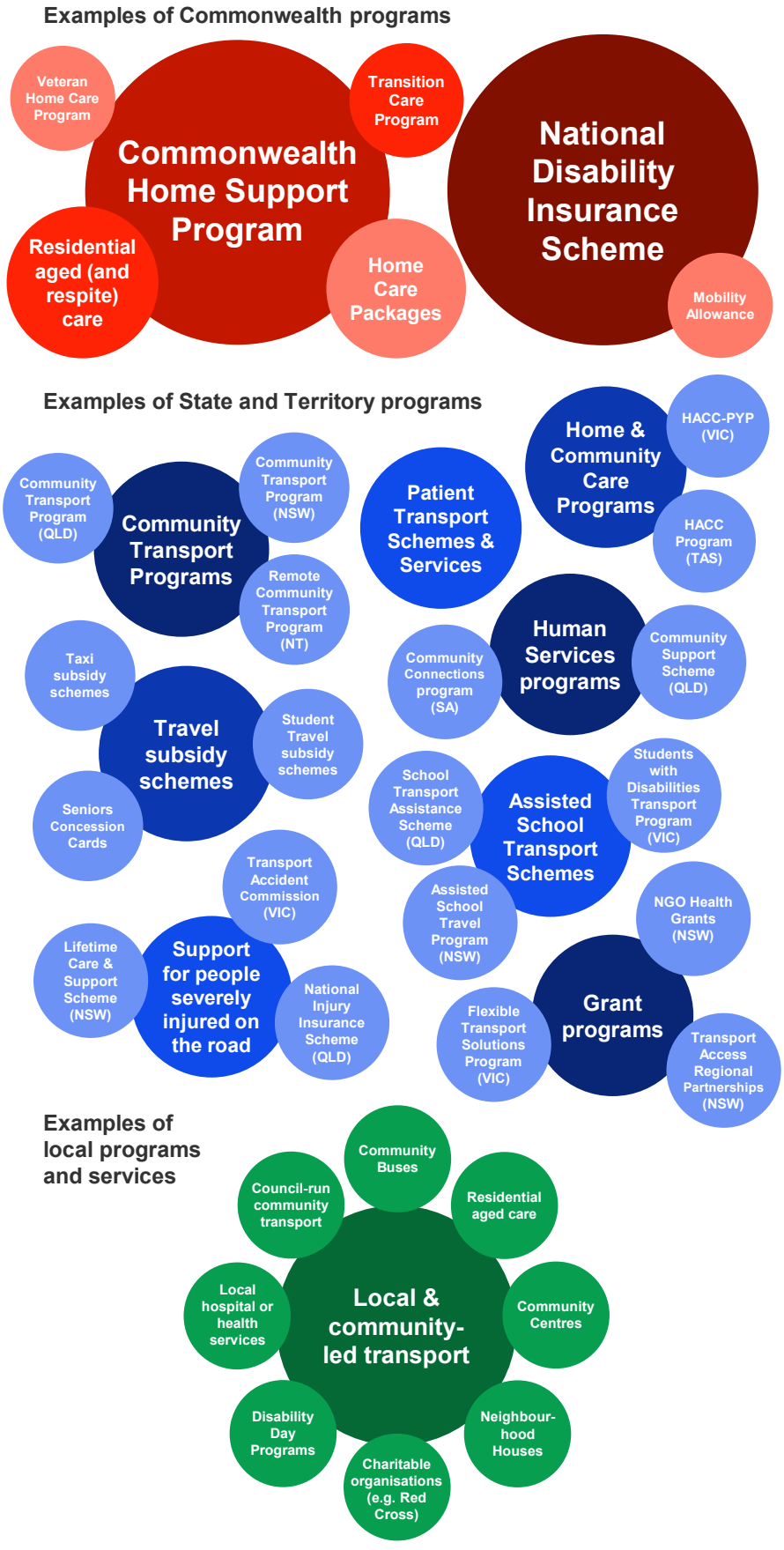
Source: IPPG. Adapted from Currie and Delbosc (2011)

Complex and growing needs among key user groups:



Source: IPPG

Examples of diverse programs providing transport assistance:

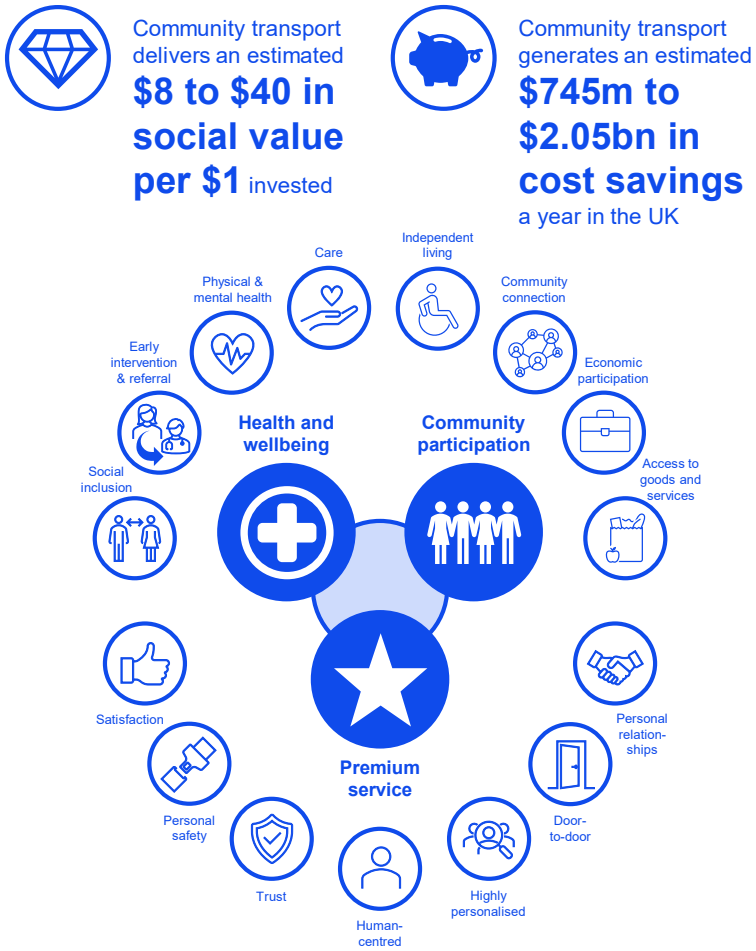


Source: IPPG

The community transport sector

- Community transport is as much a community service as a transport one. As a vital support where other transport is limited or unable to meet user needs, it is a significant enabler of equitable inclusion and access to health, social and community care.
- It acts as an essential part of social and community infrastructure, providing services where other transport is in short supply and supporting the most vulnerable in our community. In doing so, it provides substantial social, health and other benefits for a sliding-scale of disadvantaged individuals and underpins significant policy outcomes.
- There is no single definition of community transport. Services providers are highly diverse in terms of their customers, the services they offer, scale and operating models. Services are costly to run, and providers often rely on diverse government and non-government revenue streams to remain viable, as well as volunteers.
- The most prominent users of community transport tend to be older people, people living with a disability and people living outside major cities. This is in part a consequence of the way community transport is structured to respond to specific government funding streams and eligibility for services, rather than necessarily reflecting the broader needs and experiences of transport disadvantage in the community.

Overview of key benefits associated with community transport:

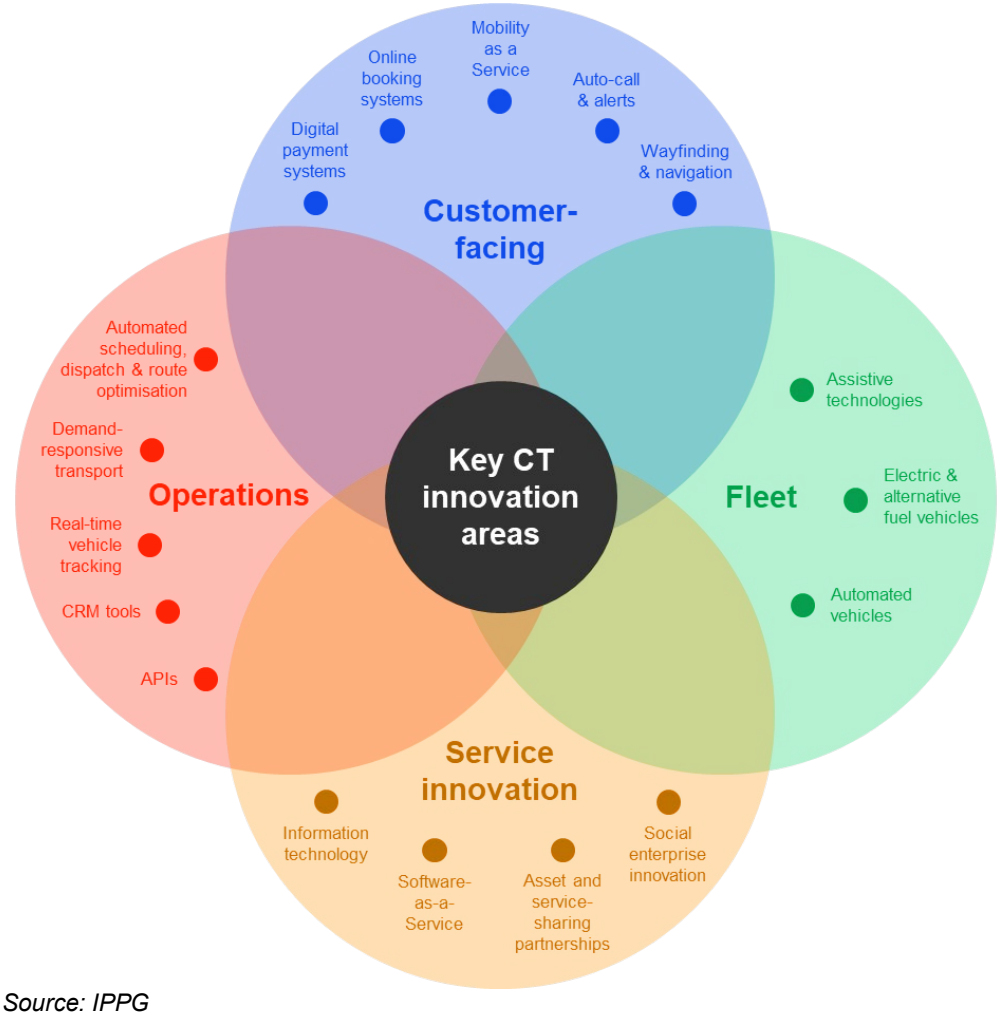


Source: IPPG

Current innovation in community transport

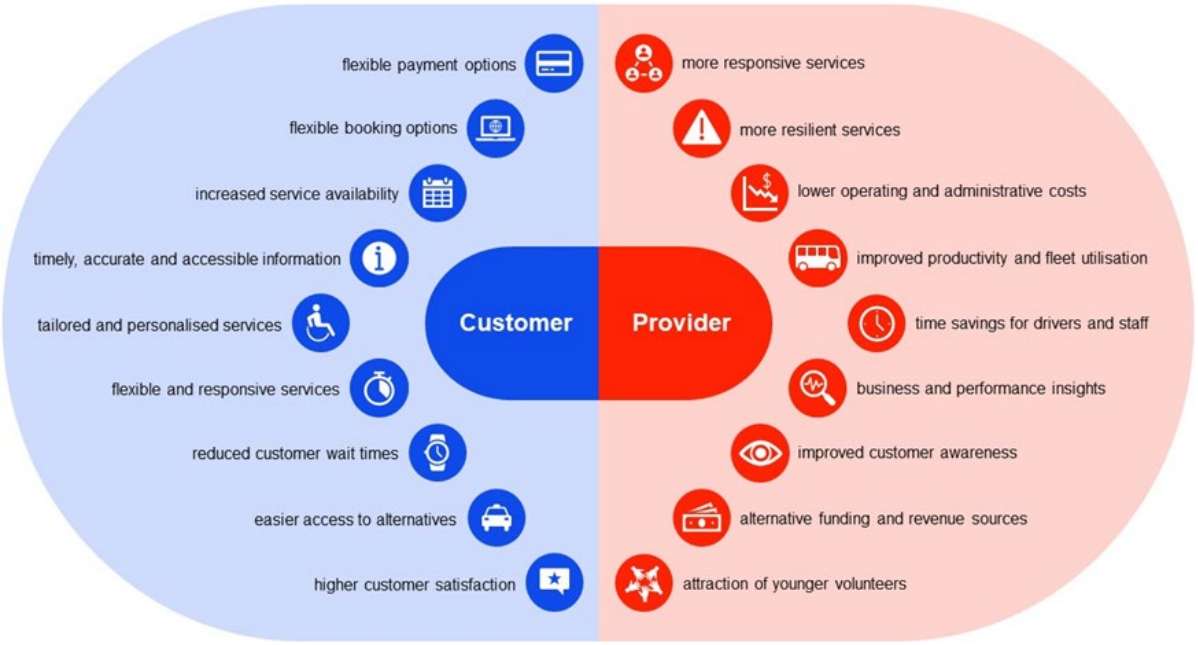
- There are many positive examples of innovation in community transport or equivalent services in Australia and internationally, particularly in service innovation, operations, fleet technologies, and customer-facing solutions
- Innovations offer multiple benefits to the sector and its customers, including: visibility and reach; flexibility, responsiveness and resilience of services; availability, timeliness and accuracy of information; increased efficiency and productivity; and reduced operating and administrative costs
- While strong pockets of innovation exist, and the Covid-19 pandemic has provided a useful catalyst for some providers to introduce new technologies, innovation in the sector is uneven due to variations in scale, funding issues, viability or appetite for risk, customer barriers, staff resistance, or philosophy
- There remains a strong appetite for innovation in the sector, but successful innovation is likely to depend on effective partnerships and collaboration within the sector, with other services and with industry to develop and implement solutions that meet the complex needs of the sector and its customers.

Current and emerging innovations relevant to community transport:



Source: IPPG

Examples of potential benefits of emerging innovations for community transport:



Key challenges

- Actual demand for community transport and assisted mobility is poorly understood. Evidence suggests that there are existing gaps and mismatches between supply and demand, which – without intervention – will worsen with a growing ageing population with complex needs
- The fragmented nature of the existing system also creates significant barriers to access for customers across a range of services, including transport, as well as a highly complex operating environment for community transport providers that brings challenges in terms of costs, financial sustainability and integrated approaches to delivery of services.
- Emerging changes to the market, including anticipated funding reforms (particularly the shift from block grant to person-centred funding in the aged care sector) and an evolving ecosystem of innovative and diversified mobility services, are expected to increase competition. While these changes may create opportunities for customers and providers, there are also potential risks for the future viability of community transport services, quality and safety standards, regulatory oversight and compliance.
- The diversity and disaggregation of the community transport sector, as well as challenges in sustaining its future workforce, impact its collective capacity to advocate for itself and be strategically responsive to change
- The nature of the sector, its customers and the fragmented ecosystem it operates within create a variety of potential barriers to innovation. Challenges around costs and funding, lack of scale, complex and unique sector needs, culture, training requirements and customer barriers may particularly act as barriers to successful introduction of new technologies.

Opportunities for systemic and service innovation

- Potential opportunities emerging from the research have been identified as areas to be explored individually and in collaboration by government, service providers and wider industry, encompassing:
  - **Opportunities for systemic innovation:** to explore more holistic approaches to tackling transport disadvantage, including more integrated approaches to planning, funding and services within and across sectors, and
  - **Opportunities for service-level innovation:** to explore ways to harness the benefits of, and create the enabling conditions for, technology and service-level innovation within the community transport and wider community services sector.

Opportunities for systemic innovation:

UNDERSTANDING NEEDS	
Key finding: Transport disadvantage is a complex and growing problem, but significant data and evidence gaps exist on current and future community needs associated with disadvantage, which need to be addressed to inform more holistic and responsive strategies	• **Opportunity** to pursue research and data-driven insights to provide more meaningful, ongoing data and strategic evidence on transport disadvantage and changing needs. This would include for key existing community transport user groups as well as other groups that may currently fall outside of dedicated policies, programs or eligibility for funded support
	• **Opportunity** to use this evidence to better inform and enable proactive whole-of-government assessments of strategic options for meeting community needs for transport support that can better address existing gaps and are responsive to changes in demand (as well as an understanding of the system costs of not meeting these needs)
POLICY COORDINATION	
Key finding: There are currently highly fragmented approaches to policy, regulation and funding of	• **Opportunity** to strengthen policy coordination, collaboration and information sharing across state and territory government agencies to facilitate and ensure joined up policy responses to intersecting customers and issues associated with transport disadvantage and assisted mobility within each jurisdiction

services across policy siloes and levels of government to address similar customer needs for assisted mobility	• **Opportunity** for more integrated approaches within states and territories to provide a holistic policy platform on all aspects of transport disadvantage for policy engagement with other jurisdictions and the Commonwealth Government. For example, opportunities to better coordinate and integrate issues around mobility as part of strategy and reforms recommended by the Aged Care Royal Commission to develop integrated systems for long-term support and care of older people

Key finding:
 	
Service providers (and technology solutions) are often structured to respond to fragmented policies, programs and regulatory requirements, which increases regulatory complexity and prevents delivery of efficient and integrated services to customers
	• **Opportunity** to explore development of a standardised framework of assisted mobility needs and transport services to provide a consistent, streamlined categorisation of user needs across different service types. This may help in enabling:
	  • Clarity from a policy perspective around the scope for different needs to be appropriately met by different type of transport service, and inform approaches to regulation of services
	  • Certainty for providers around applicable regulatory requirements, standards and eligibility assessment in serving different user types and needs, with the potential ability to integrate services/supports and streamline compliance and administration across multiple programs
	  • Certainty and consistency for wider industry in developing technology solutions that can underpin more streamlined, integrated approaches to service delivery and administration

GOVERNANCE	
Key finding: Transport disadvantage is complex, cuts across numerous policy areas and lacks a specific focal point. This also means community transport struggles to engage effectively with government	• **Opportunity** to explore governance options within jurisdictions that can support policy coordination across agencies, and better engage and give a stronger voice to key transport disadvantaged user groups and community transport service providers, to inform policy development. Jurisdictions could examine a spectrum of options ranging from regular, structured stakeholder engagement through to a dedicated entity that can provide strategic focus on the complexity and cross-sectoral challenges of transport disadvantage – for example, such as a Commissioner for Transport Disadvantage (similar to Mental Health Commissioners), which could focus on issues such as:

	• Customer protection: Safeguarding the rights of transport disadvantaged people to access safe, high quality transport services • Coordination and collaboration: Coordinating policy, funding and regulatory responses across siloes • Technology solutions: Bringing together customers, service providers and technology providers to facilitate collaborative technology solutions • Workforce planning: Addressing future workforce challenges for community transport and building capacity and readiness of the sector for technology • Data and performance: Overarching monitoring and reporting on the performance of sector
MARKET OVERSIGHT AND STEWARDSHIP	
Key finding: Emerging changes to regulation and funding (e.g., in aged care), as well as the wider mobility market, creates potential risks that will require active monitoring	• **Opportunity** to proactively put in place the means to identify, assess and respond to potential risks of an evolving competition-based market for community transport services, such as service gaps, variable service quality and safety standards and compliance, and emerging market failures. Options may include, for example, developing outcome-based approaches for monitoring the performance of the sector
Key finding: The fragmented ecosystem creates systemic challenges to an effective market – many customers experience barriers to access services, while providers face challenges in complying with multiple regulatory regimes and offering integrated services	• **Opportunity** to explore potential government-led policy and/or technology options that could be promoted or applied at a system-wide level to: • Enhance customer awareness, visibility and reach of community transport services • Streamline customer access to services and integrate available supports to reduce barriers and pain points • Modernise services and lift standards

FUNDING	
Key finding: There is very limited understanding of the current costs and benefits of service delivery and how this may impact future viability of services to meet community needs under current policy and funding settings	• **Opportunity** to address the current gap in evidence and understanding of the costs and benefits of service delivery of community transport in different settings (e.g., metro, inner/outer regional and remote)
	• **Opportunity** to use improved evidence on costs and benefits to inform evidence-based assessments of potential system costs of addressing (or failing to address) community needs, identify funding gaps/needs and potential cases for policy action or investment to meet current and future community needs
Key finding: Current funding arrangements for community transport and assisted mobility more broadly are highly fragmented within policy siloes	• **Opportunity** to explore the potential to align/consolidate disparate funding streams between different agencies (e.g., within or across states and territories) where this can maximise efficient use of funding or integration of delivery across programs and user needs

Key finding:
Community transport providers run asset-intensive operations but generally face a lack of certainty and stability of funding (expected to worsen under proposed aged care funding reforms), which makes it hard to operate efficiently and limits scope for innovation
	• **Opportunity** to explore innovative policy and funding mechanisms within jurisdictions that could support the community transport sector to improve opportunities for efficiency and innovation. This could include a range of options, such as:
	  • Exploring state and territory funding options that allocate funding to providers on a contractual basis over longer (3-5 year) terms, potentially linked to/consistent with regional, place-based approaches to transport service provision
	  • Exploring the scope for greater financial flexibility for providers over the use of grant monies (e.g., enabling funding to be used towards asset or technology costs)
	  • Exploring options to establish state-wide coordinated models for procurement or management of transport assets (e.g., vehicles), co-development of technology solutions or access to capital for providers. This may particularly benefit smaller providers that lack scale by aggregating needs, de-risking investment and enabling economies of scale

INCLUSIVE APPROACHES TO INTEGRATED TRANSPORT	
Key finding: People experiencing transport disadvantage and complex mobility needs are an increasingly large part of the transport customer base – and catering for these customers' needs to be better integrated into transport planning and system design at all levels from the start, including considering the role of community transport as part of integrated solutions	• **Opportunity** to recognise more explicitly that a major and growing proportion of transport customers will comprise people experiencing transport disadvantage and complex needs, and factor this into strategic transport policy and planning responses that embed these into the design of the transport system from the start, rather than as a 'bolt-on', and accelerate efforts towards the universal design of public transport services. • **Opportunity** to improve regional and local place-based planning of transport and other infrastructure and services to be inclusive of customers with complex needs and disadvantage and actively consider and integrate community transport services as part of the solution mix • **Opportunity** for digital transport services and platforms (including but not limited to MaaS solutions) to integrate data about individual customer mobility assistance needs as well as community transport services. This would enable greater customer visibility and integration of community transport within the wider transport system and inclusive approaches to technology-enabled transport that can match users with specific needs to safe and appropriate mobility services. However, this will depend on the extent to which, individually and collectively, service providers can achieve a sufficient level of digital maturity and data availability to enable their integration

Opportunities for service-level innovation:

EXPLORING FUTURE MOBILITY AND TRANSPORT DISADVANTAGE	
Key finding: Innovative mobility services and technologies could increasingly complement public and community transport in helping address unmet needs linked to transport disadvantage	• **Opportunity** to harness emerging transport innovations such as flexible, on-demand transport and Mobility-as-a-Service to enhance the visibility, choice, reach and integration of transport options for a wider range of customers with less complex mobility needs, especially where these can offer more efficient and cost-effective approaches relative to other forms of public transport
	• **Opportunity** for government and industry to work in partnership, and with the community transport sector, to apply innovative transport technologies or services (such as flexible on-demand public transport, MaaS or automated vehicles) to specific use cases around transport disadvantage. This will help to test and develop learnings on the potential effectiveness and future role for these innovations to contribute to reducing transport disadvantage

Key finding:
The community transport sector is diverse and disaggregated, with varying levels of scale, revenue, capability and readiness for change, including in responding to an evolving market context and in pursuing innovation
	• **Opportunity** for greater collaboration within the community transport sector, for example to:
	  • Explore mechanisms to facilitate and strengthen information and knowledge sharing between providers and across jurisdictions
	  • Build collective sector capacity around managing and responding to emerging change in the sector as well as harnessing innovation and implementing technology
	  • Explore opportunities for collaborative procurement around transport assets, technology solutions or staff training to aggregate needs and leverage combined scale to improve cost-effectiveness

	• **Opportunity** for greater collaboration between technology providers and the community transport sector to explore opportunities for technology to enhance operations, service delivery and customer experiences. This includes exploring partnership arrangements that allow for the sharing of risk and co-development of solutions that respond to the range of diverse and complex needs of the sector and its customers

	• **Opportunity** for community transport providers to proactively respond (in a gradual way) to a changing market and funding context, for example by identifying opportunities for growth and diversification (such as expanding areas of operation or diversifying services)
Key finding: Technology and service innovation offers a variety of potential benefits to community transport and its customers, but face a range of internal and external barriers to innovation and may depend on collaboration and partnerships within and beyond the sector to capitalise on these opportunities	• **Opportunity** to capitalise on digital technologies that can improve efficiency and productivity, streamline compliance and administration, reduce costs and improve the quality and responsiveness of services. Technology solutions can also facilitate the integration and aggregation of mobility needs and services across community transport, other mobility solutions and other local community services. For example, the community services sector more broadly already recognises the opportunity to embrace and engage in digital transformation to exploit benefits rather than being "left behind", and the sector is exploring open data platforms to link demand and services to better target service delivery.[1] [2]
	• **Opportunity** to form local partnerships or networks across community transport and other local health, social and community-based services, to integrate and aggregate assisted mobility and transport supports and improve quality and efficiency of services. For example, this could include coordinating the assessment of eligibility and provision of services, as well as exploring opportunities to share assets, costs, resources, functions and budgets. It could also include leveraging partnerships with other types of highly visible local service providers to attract volunteers.

[1] Ogle, G. (2019) *Four Reasons Why Digital Transformation Matters for the Community Services Sector.* Pro Bono Australia. https://probonoaustralia.com.au/news/2019/02/four-reasons-digital-transformation-matters-community-services-sector/

[2] P Ramcharan & S Thompson (Eds) (2018) *Community Services of the Future: An Evidence Review.* Published by the Future Social Service Institute, A Collaboration of the Victorian Council of Social Services and RMIT University

- **Opportunity** for government and/or industry to help create the conditions for innovation in community transport. In addition to options already identified elsewhere (such as providing greater flexibility on use of grant funding, facilitating aggregation or coordinated procurement), other possible options might include:
  - Exploring further opportunities to minimise or streamline regulatory barriers to innovation, including providing guidance to service providers on navigating red tape, as well as promoting outcome-based and technology-neutral regulatory approaches that avoid stifling innovation
  - Considering the need to ensure interoperability of data or systems where this is required to facilitate sector innovation, service integration and the ability to generate system-wide insights
  - De-risking innovative solutions, for example through sharing evidence of benefits, sharing information and case studies on key success factors and potential pitfalls around implementation
  - Working with the sector to help build capacity and strategic readiness for technology within the sector and across key user groups
  - Exploring options to broker collaboration, partnership and risk-sharing between community transport and technology providers

1 About the study

1.1 Collaborative research

This study was initiated by ITS Australia and conducted by the Institute for Public Policy and Governance (IPPG) at the University of Technology Sydney (UTS), as a collaborative research project through the iMOVE Collaborative Research Centre.

The project has been co-developed and co-funded in partnership with:

- The Department of Transport and Main Roads, Queensland
- Transport for NSW
- The Department of Transport, Victoria
- The Department of Transport, Western Australia

1.2 Project aims

The overall aim of the study was to review the current ecosystem for community transport in Australia, including the customer, service delivery, policy and funding landscape, and specifically explore current and emerging opportunities and barriers for innovation.

The study sought to develop and synthesise broad insights into the community transport sector and its context, primarily with a view to informing government policy development and wider industry thinking about the role of community transport, key issues relevant to the sector, and opportunities to accelerate the adoption of innovative solutions and enhance the future delivery of flexible, demand-responsive local and assisted transport.

1.3 Project approach

The research primarily involved the collection, analysis and synthesis of a range of quantitative and qualitative data and evidence, using the following methods:

1. **Desktop reviews of literature:** Three parallel reviews were carried out to identify and analyse existing evidence in Australia and internationally related to the community transport customer and service delivery landscape, the policy and funding ecosystem, and the current and emerging innovations relevant to community transport.
2. **Stakeholder engagement:** A facilitated workshop with 18 community transport providers and peak body representatives was held in July 2021. 40 semi-structured interviews were also conducted with representatives from organisations across Australia, representing government agencies (16), community transport providers and peak bodies (15), transport and technology industry organisations (5) and user representative peak bodies (4).

These research methods were supplemented by **additional qualitative and quantitative analysis** of available service, funding and demographic data.

A more detailed description of the methodology is provided in **Appendix A**.

2 Transport disadvantage and complex needs

Key points:

- Transport disadvantage is a truly complex problem. Older people, people with disability and those living in rural and remote areas are among the most likely to experience difficulties with access and mobility, but there are a wide range of causal factors and forms of exclusion that can make it difficult for people to access and use transport
- The challenges associated with transport disadvantage are set to grow significantly in the coming decade, particularly because of an ageing population and consequent increases in people with complex needs
- As an essential support where other transport is limited or unable to meet people's needs, community transport has a significant role in enabling equitable social and economic inclusion and access to health, social and community care
- In doing so, it provides substantial social, health and other benefits for a sliding-scale of vulnerable and disadvantaged individuals and underpins a range of significant policy outcomes.

2.1 Introduction

Transport is an essential enabler of social and economic participation in society. The ability to access transport is a social determinant of health, enabling people to reach essential services and facilities, such as medical care, education and shops, get access to employment, and engage in social and recreational activities, all of which impact quality of life.[3]

An ABS General Social Survey found that most Australians aged 18 years or over (84%) felt that they could easily get to places where they needed to go.[4] This likely reflects, at least in part, high levels of private vehicle ownership in Australia, with 87%

[3] Rachele, J. N., Learnihan, V., Badland, H. M., Mavoa, S., Turrell, G., & Giles-Corti, B. (2017) Neighbourhood socioeconomic and transport disadvantage: The potential to reduce social inequities in health through transport. Journal of Transport & Health, 7, 256-263.

[4] Australian Bureau of Statistics General Social Survey (2010) 4159.0 - General Social Survey: Summary Results, Australia, 2010 (abs.gov.au)

and 84% of households reported owning at least one vehicle in 2010 and 2016 respectively.[5]

However, there are many Australians who have difficulty accessing transport for a variety of reasons. The ABS General Social Survey found that 12% of respondents felt that they sometimes had difficulty getting to places where they needed to go, and 4% felt that they either could not get to the places they needed to go or often had difficulties in doing so.[6]

While transport disadvantage is not the primary focus of this study, it represents the key context and driver behind the demands for and uses of community transport services and therefore provides an essential backdrop to the need for community transport and issues discussed later in this report.

This first section of the report therefore focuses on these issues, by discussing:

- Transport disadvantage and key factors that may contribute to difficulty in accessing transport, especially for certain population groups
- Analysis of the growing challenge around complex transport needs for these groups into the future, particularly linked to the challenge of an ageing population
- The broad policy context and directions that are influencing current and future transport needs, measures for addressing transport disadvantage for key groups and the role of community transport within this context.

Later sections of the report discuss further:

- The characteristics of community transport and its current ecosystem (Chapter 3)
- Current and emerging innovations with potential benefits for improving community transport and addressing transport disadvantage (Chapter 4)
- Key systemic and sector-specific challenges and implications for barriers to innovation (Chapter 5), and
- Opportunities to explore for both systemic and service-level innovation (Chapter 6).

2.2 Transport disadvantage

Over the past few decades there has been growing interest – in the research community and among policy-makers – in 'transport disadvantage', and the impact this has in creating barriers to social and economic inclusion and participation.

[5] Id.community demographic resources, based on Australian Bureau of Statistics (ABS) Census of Population and Housing. Number of cars per household | Australia | Community profile (id.com.au)

[6] Australian Bureau of Statistics General Social Survey (2010) 4159.0 - General Social Survey: Summary Results, Australia, 2010 (abs.gov.au)

Put simply, 'transport disadvantage' is the inability to travel when and where one needs to without difficulty. [7] [8]

In practice, transport disadvantage is a concept that is difficult to define and measure, despite extensive research in this area. It is a form of exclusion arising as a consequence of complex human needs, individual circumstances, changes and interactions across health, transport, land use patterns, planning, social, cultural, demographic and economic variables, which surround poor access.[9] [10]

The United Nations (UN) describes social exclusion as "a state in which individuals are unable to participate fully in economic, social, political and cultural life, as well as the process leading to and sustaining such a state."[11] Several varying but frequently overlapping attempts have been made to categorise transport-related social exclusion.

For example, Wixley et al. (2005) list six main types of exclusion connected to transport: spatial, temporal, personal, financial, environmental, infrastructural and institutional.[12] Kamruzzaman et al. (2016) list four main types of exclusion connected to transport: spatial, temporal, social attributes of travel and activity participation.[13]

Church et al. (2000) identify seven categories of exclusion connected to transport:[14]

- Physical exclusion: where physical barriers inhibit the accessibility of services which could be experienced by mothers with children, elderly or frail, those encumbered by heavy loads or those who do not speak the dominant language of the society (people from culturally and linguistically diverse backgrounds)
- Geographical exclusion: where poor transport provision and resulting inaccessibility can create exclusion not just in rural areas but also in areas on the urban fringe
- Exclusion from facilities: the distance of facilities (e.g., shopping, health, leisure, education) from people's homes, especially from those with no car, make access difficult

[7] Denmark, D. (1998) The outsiders: Planning and transport disadvantage. Journal of Planning Education and Research, 17(3), 231-245.

[8] Ma, L., Kent, J. L., & Mulley, C. (2018) Transport disadvantage, social exclusion, and subjective well-being. Journal of transport and land use, 11(1), 31-47.

[9] Ibid.

[10] Currie, G. & Delbosc, A. (2011) Transport Disadvantage: A Review. Chapter 2.1. In Currie, G. (Ed.). New perspectives and methods in transport and social exclusion research. Emerald Publishing Limited.

[11] United Nations. (2016) *Leaving no one behind: the imperative of inclusive development. Report on the World Social Situation 2016*. Department of Economic and Social Affairs. New York. p.18.

[12] Wixey, S., Jones, P., Lucas, K. and Aldridge, M. (2005) Measuring accessibility as experienced by different socially disadvantaged groups. User needs literature review, EPSRC FIT Programme, Working paper n°1, p.87

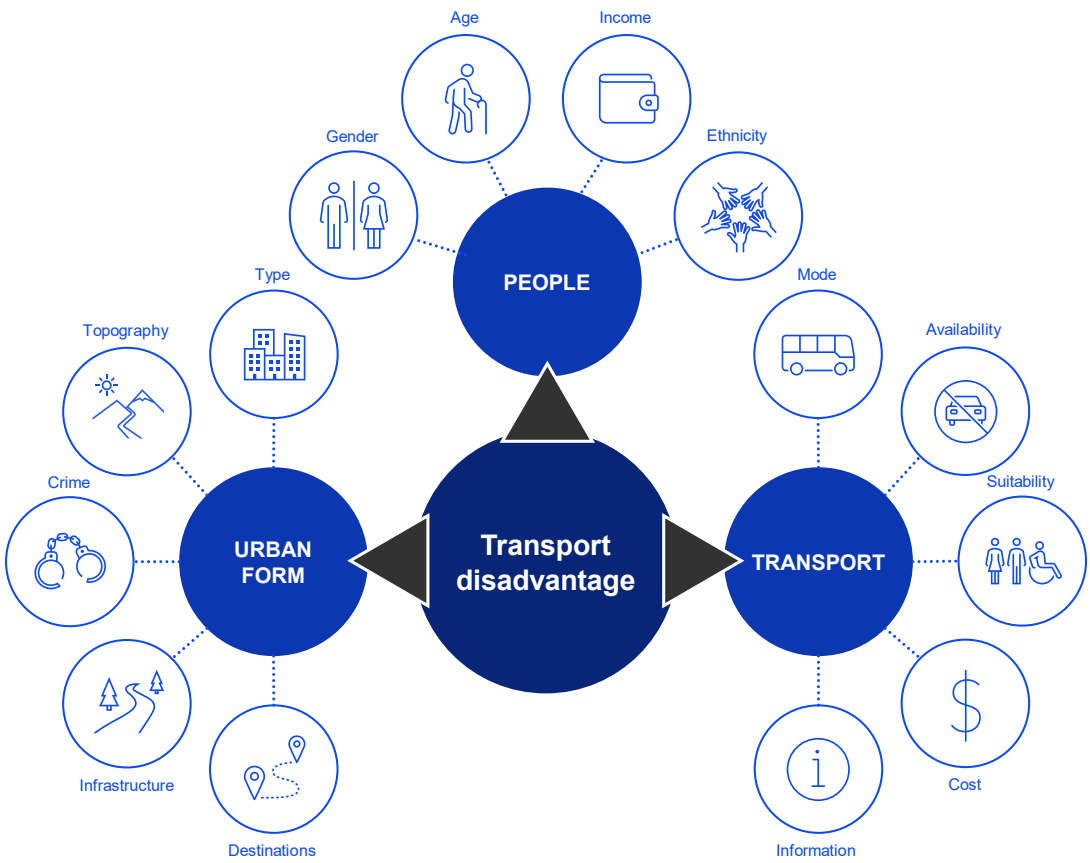
[13] Kamruzzaman, M., Yigitcanlar, T., Yang, J., & Mohamed, M. A. (2016) Measures of transport-related social exclusion: A critical review of the literature. *Sustainability*, *8*(7), 696.

[14] Church, A., Frost, M., & Sullivan, K. (2000). Transport and social exclusion in London. Transport Policy, 7(3), 195-205. https://doi.org/https://doi.org/10.1016/S0967-070X(00)00024-X

- Economic exclusion: the high monetary or temporal costs of travel can prevent or limit access to facilities or jobs and thus income
- Time-based exclusion: refers to situation where other demands on time such as caring restrict the time available for travel
- Fear-based exclusion: where worry, fear and even terror influence how public spaces and public transport are used, particularly by women, children and the elderly, and
- Space exclusion: where security and space management strategies can discourage socially excluded individuals from using public transport spaces.

Currie and Delbosc (2011) observed that while transport disadvantage is generally considered a "complex" and "multidimensional construct", different researchers focus on different contributing factors, and they sought to illustrate the key factors around transport disadvantage (adapted in Figure 1 below).[15]

Figure 1 – Key factors that impact transport disadvantage



Source: IPPG. Adapted from Currie and Delbosc (2011)

[15] Currie, G. & Delbosc, A. (2011) Transport Disadvantage: A Review. Chapter 2.1. In Currie, G. (Ed.). New perspectives and methods in transport and social exclusion research. Emerald Publishing Limited.

The complexity, diversity and dynamic nature of contributing factors that lead to transport disadvantage and social exclusion, while not the core focus of this report, creates major challenges in understanding and quantifying the problem and in developing effective and comprehensive policy responses.

2.3 Complex needs

While transport disadvantage is enormously complex and can be experienced due to a wide range of factors (often in combination), an important feature of transport disadvantage for policy makers, relevant to this report, is the increased prevalence or risk of experiencing transport disadvantage among certain subgroups of the population.

These particularly include:

- Older people
- People living with disability, and
- People living outside major cities, who are more likely to experience poor transport provision and economic exclusion.

Many people will also fall into combinations of these categories and have particularly complex needs or be more likely to experience compounding disadvantages.

This is especially true for older people, who often face a variety of barriers in accessing transport, including mobility limitations (reduced physical functions, inability to travel to bus stops or train stations), health restrictions (poorer vision/hearing, arthritis) reduced confidence in driving or catching public transport on their own (as well as no longer holding a driver's licence), or having less income and experiencing financial vulnerability or disadvantage.[16]

The number of people likely to need complex care and experience transport disadvantage will increase significantly with an ageing population – but also affects other people with impaired mobility as well as those living in regional and remote areas.

As pointed out by Infrastructure Australia: "The challenge of transport disadvantage is likely to expand in coming years due to the ageing of our population. Transport can be particularly difficult to access for people who are mobility impaired…. Beyond our cities, access to transport networks is most limited for people who live in remote Australia." [17]

[16] Somenahalli S. (2015) Key transport and mobility issues facing seniors: evidence from Adelaide: National Seniors Productive Ageing Centre.

[17] Infrastructure Australia (2019) Infrastructure Audit Report, p.265

2.4 The growing challenge

This section examines some of the key trends and evidence for the subgroups identified above and expands on evidence of the growing challenge around complex mobility needs, which will impact future demands for support in accessing transport and other services.

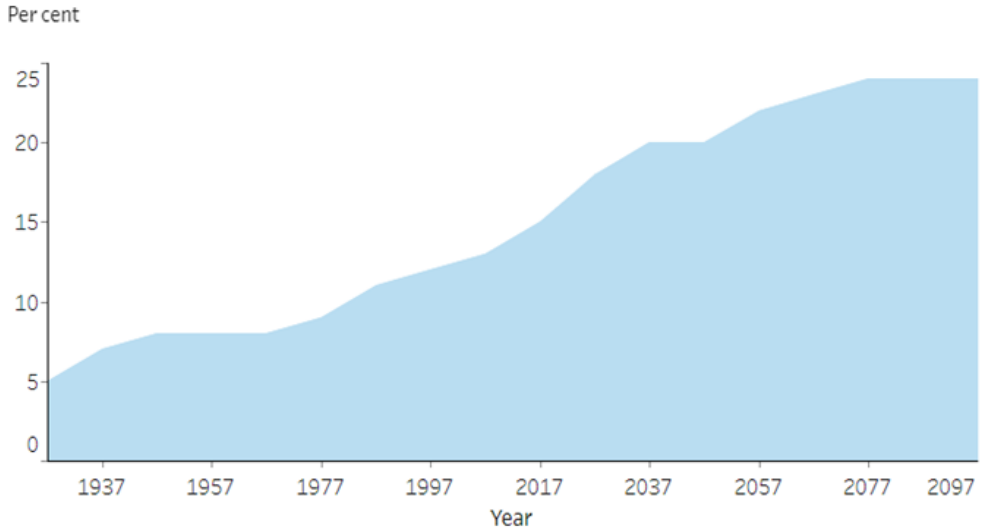
2.4.1 Older people

Ageing population

In 2017, there were 3.8 million Australians aged 65 and over – representing 15% of the population. The size and proportion of the Australian population aged 65 and over is increasing, which is a worldwide phenomenon. [18]

Figure 2 shows Australian Institute of Health and Welfare long-term analysis of the Australian population aged 65 and over, which estimates that by 2057, this cohort will more than double in size to around 8.8 million and make up nearly a quarter (22%) of the population. [19]

Figure 2 – Proportion of the Australian Population aged 65 years and over, current and future projections [20]



Source: AIHW, 2018

Demographic modelling conducted by IPPG for this research highlights the scale of the challenge within the next decade. As Table 1 below shows, by 2030 the over 65 population is set to grow significantly (by between 28-37%) in all regions.

[18] WHO Fact Sheets on Ageing and Health Ageing and health (who.int). [Accessed 26 October 2021]

[19] Australian Institute of Health and Welfare (2018) *Older Australia at a glance.* https://www.aihw.gov.au/reports/older-people/older-australia-at-a-glance [Accessed 26 October 2021]

[20] Ibid.

A specific analysis of the growth in population for people over 85 years old illustrates an even greater challenge.

Over the next decade the 85+ population in major cities alone is expected to grow by more than a third (36.3%). Whereas the expected growth in the 65+ population is relatively evenly spread across geographies, however, the degree of growth for the 85+ population is progressively higher for increasing levels of remoteness (Figure 3).

Growth in the 85+ population in inner regional (44.7%) and outer regional (45.6%) areas is projected to be substantially higher than that for major cities. In remote and very remote areas the scale of growth is expected to be significantly higher still (57.6% and 85.9% respectively), although actual numbers in remote areas are much smaller (in remote areas growing from 3,672 in 2020 to 5,787 in 2030, and in very remote areas from 1,199 to 2,229 over the same period).

The number of people using home care has already tripled over the last ten years.[21] As both social preference and Australian government policy in aged care places a growing focus on care at home, the numbers of older people who will depend on transport connectivity will rise further.

Overall, this indicates a looming challenge over the next decade in providing for the mobility needs of a growing older population experiencing complex needs and multiple forms of transport disadvantage. This challenge will be even more acute in regional and remote areas.

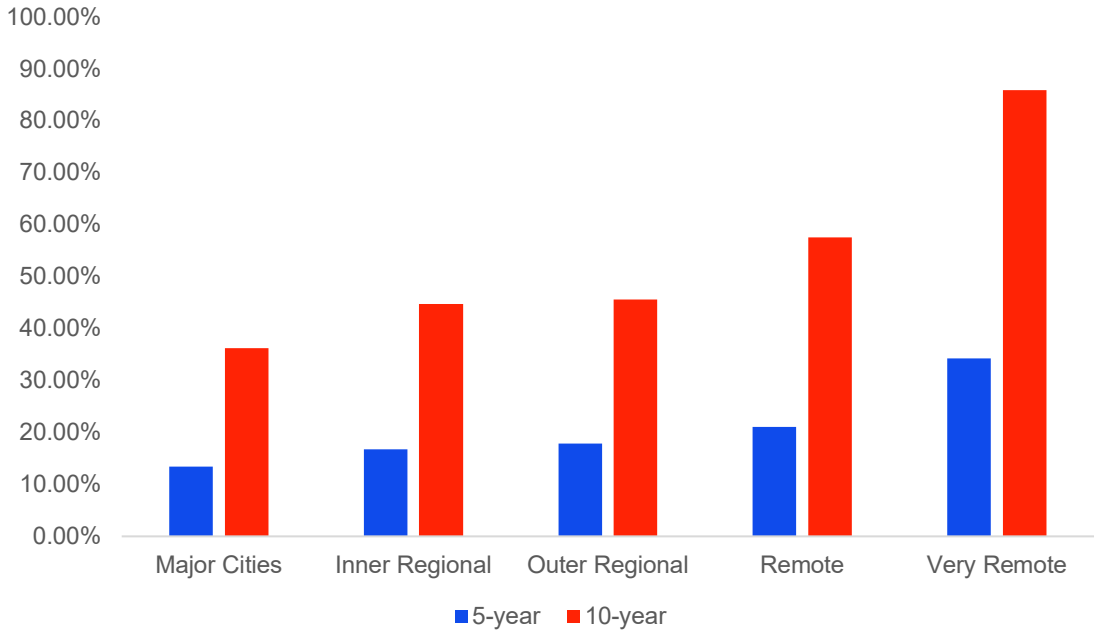
Table 1 – Population of Australia, 65+ years, by Remoteness Areas

	2016	2020	2025	2030	5-year	10-year
	Number	Number	Number	Number	Growth (%)	Growth (%)
Major Cities	2,283,878	2,733,552	3,153,220	3,581,979	15.35%	31.04%
Inner Regional	773,805	948,086	1,100,832	1,239,141	16.11%	30.70%
Outer Regional	338,959	402,992	463,367	514,695	14.98%	27.72%
Remote	35,257	42,156	48,917	54,444	16.04%	29.15%
Very Remote	17,005	18,488	22,146	25,304	19.78%	36.87%

Source: IPPG. Based on PHIDU (2021), ABS (2017)

[21] Australian Institute of Health and Welfare (2021) *People using aged care*. https://www.gen-agedcaredata.gov.au/Topics/People-using-aged-care#Remoteness [Accessed 19 July 2021]

Figure 3 – % growth in population of Australia, 85+ years, by Remoteness Areas



Source: IPPG. Based on PHIDU (2021)

Ageing and increasing complex needs

Older people are not a homogenous group and their mobility and needs around transport support for this population will vary. However, as people age they are more likely to experience challenges that impact on their ability to access transport, and activities related to mobility, self-care and domestic life have been found to be one of the key areas in which older people require care and support.[22]

Older people are more likely to encounter health and other barriers to mobility. As the Productivity Commission noted in their 2011 report on *Caring for Older Australians,* there are also "changing patterns of disease among the aged, including the increasing incidence of chronic disease such as dementia, severe arthritis and serious visual and hearing impairments, and the costs associated with care." [23]

In the international context, research has identified a range of factors that are more prevalent for older people and mobility, as well as related issues such as financial vulnerability. These include:

[22] Abdi, S., Spann, A., Borilovic, J., de Witte, L., & Hawley, M. (2019) Understanding the care and support needs of older people: a scoping review and categorization using the WHO international classification of functioning, disability and health framework (ICF). *BMC geriatrics, 19*(1), 1-15.

[23] Productivity Commission (2011) *Caring for Older Australians – Inquiry Report Overview,* No. 53, 28 June 2011

- Cognitive/emotional factors (cognitive impairment associated with aging, anxiety, executive dysfunction)[24] [25]
- Medical and functional factors (serious progress illness, impaired mobility, vision and hearing loss)[26] [27]
- Psychosocial factors (depression, social isolation, loneliness, reduced socioemotional capacity) [28] [29] [30]
- Environment/societal (wealth concentration, information overload).[31]

As the aged population increases, so too will the number of people with **cognitive impairment**, such as dementia. In 2019, about 107,000 people were using home care, of which around 9% received the dementia and cognition supplement (a payment for people with moderate to severe levels of cognitive impartment associated with dementia or other conditions).[32] In 2021, it is estimated that there are 384,476 people aged 65 and over living with dementia. By 2030, this is projected to increase to 520,803.[33]

Older people are much more likely to be living with a **disability** (Figure 4). Statistics from 2018 show that 11.6% of people aged 0-64 years were living with a disability while the rate of disability rose dramatically to one in two (49.6%) for people aged 65 years and over. Almost half of the number of people in Australia with disability are aged 65 years and over (1.9 million in 2018).[34]

[24] Lachs, M. S., & Han, S. D. (2015). Age-associated financial vulnerability: An emerging public health issue.

[25] Spreng, R. N., Karlawish, J., & Marson, D. C. (2016) Cognitive, social, and neural determinants of diminished decision-making and financial exploitation risk in aging and dementia: A review and new model. Journal of elder abuse & neglect, 28(4-5), 320-344.

[26] *Ibid.*

[27] Lachs, M. S., & Han, S. D. (2015) Age-associated financial vulnerability: An emerging public health issue.

[28] *Ibid*

[29] Spreng, R. N., Karlawish, J., & Marson, D. C. (2016) Cognitive, social, and neural determinants of diminished decision-making and financial exploitation risk in aging and dementia: A review and new model. Journal of elder abuse & neglect, 28(4-5), 320-344.

[30] Lichtenberg, P. A., Paulson, D., & Han, S. D. (2020) Examining health and wealth correlates of perceived financial vulnerability: A normative study. Innovation in Aging, 4(4), igaa039.

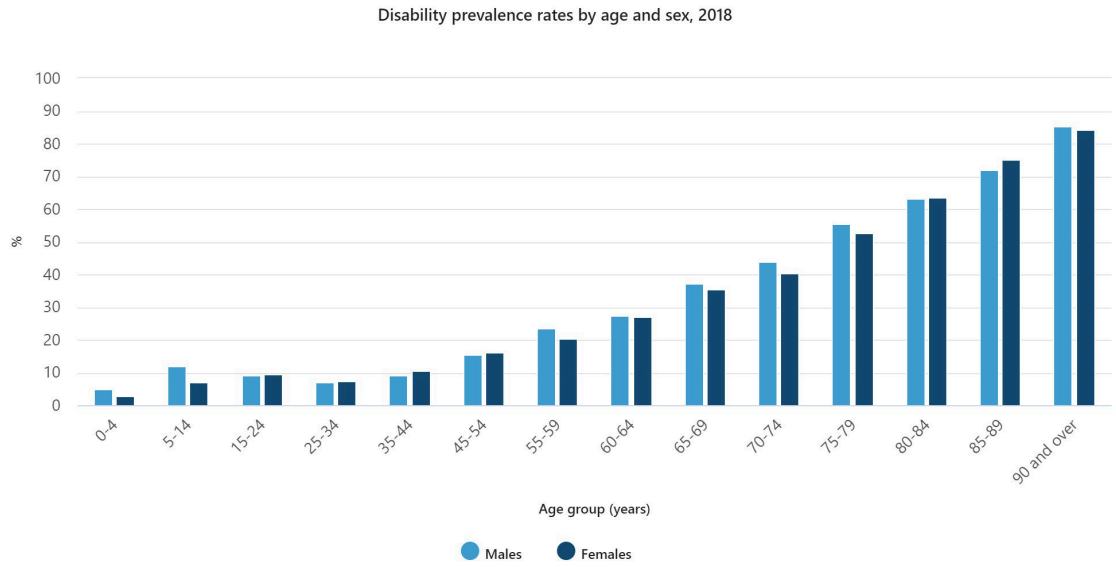
[31] Lachs, M. S., & Han, S. D. (2015) Age-associated financial vulnerability: An emerging public health issue.

[32] Australian Institute of Health and Welfare (2020) *Dementia.* Retrieved from https://www.aihw.gov.au/reports/australias-health/dementia [Accessed 26 October 2021]

[33] Ibid.

[34] ABS (2019) Disability, ageing and carers, Australia: summary of findings, 2018. ABS cat no. 4430.0. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0

Figure 4 – Prevalence of disability by age and gender, Australia, 2018 [35]



Source: ABS (2018) Disability, Ageing and Carers, Australia: Summary of Findings

Older people may also be more likely to experience **social isolation**. In 2020, the Commissioner for Senior Victorians published a report which found that 92% of older people rated personal mobility as critical to health, social wellbeing and independence. Being able to get around was seen as a major determinant of quality of life.[36]

2016 research by UK-based ECT Charity estimated that the financial costs of loneliness and isolation were conservatively estimated at around £2.1bn a year in the UK. These costs are linked to factors such as earlier admittance into residential or nursing care, increased use of home and day care services, higher rates of non-elective hospital admissions and increased proportions of home GP visits.[37]

Older Australians may also be more likely to experience **financial vulnerability and disadvantage**, although the literature on this is unclear. Research on the financial literacy of older Australians has found that financial illiteracy is widespread amongst older people, making them more likely to experience asset loss and outlive their savings after retirement.[38] This may make it more difficult for older people to access cars and other forms of transport, further hindering their mobility.

[35] Ibid.

[36] Commissioner for Senior Victorians (2020) *Ageing well in a changing world. A report by the Commissioner for Senior Victorians.* Victoria Government.

[37] ECT Charity (2016) Why Community Transport Matters. Proving the case for community transport and its positive impact on health, wellbeing and communities. London, UK.

[38] Xue, R., Gepp, A., O'Neill, T. J., Stern, S., & Vanstone, B. J. (2019) Financial literacy amongst elderly Australians. Accounting & Finance, 59, 887-918.

According to the AIHW, some older people are either working less than they would like to or are looking for work, with only 1 in 8 older Australians employed.[39] In 2020, the labour force participation rate for people aged 65 and over in Australia was 14%, behind NZ (25%), the US (19%) and the average for all OECD countries (15%).[40] This may suggest older Australians have lower incomes and may be more likely to experience financial hardship.

Many older people are also **less likely to drive**. For example, the ABS General Social Survey highlights that older age groups (75 years and over) were among the least likely to have access to motor vehicles and were more likely to experience difficulties in getting to places they needed to go.[41]

The ageing of the so-called 'baby boomer' cohort (born 1946-1965) may impact this trend, as evidence suggests they may be more likely to hold a driving licence than the preceding generation. A study of Victorian driver licence trends found that at age 60 years, licence-holding among baby boomers born between 1946 and 1955 (96%) was higher than the previous cohorts (88%, born in 1936-1945). The baby boomer cohort in Victoria was also noted to be 1.7 times larger than the cohort before them.[42]

2.4.2 People with disability and long-term health conditions

In 2018, according to the ABS, there were 4.4 million Australians with a disability (17.7% of the total population).[43] A further 22% of Australians have a long-term health condition, such as arthritis and heart failure, which may impact their ability to access personal or private transport.[44]

For about 3 in 4 (77%) people with disability, their main form of disability is physical. This includes diseases of the: musculoskeletal system and connective tissues (30%), ear and mastoid process, such as hearing loss (8.4%), circulatory system (6.3%) and nervous system, such as cerebral palsy and multiple sclerosis (6.7%).[45] These conditions may hinder a person's ability to, or confidence in, driving or using other forms of transport without support.

[39] Australian Institute of Health and Welfare (2018) Older Australia at a glance. Retrieved from https://www.aihw.gov.au/reports/older-people/older-australia-at-a-glance

[40] OECD (Organisation for Economic Co-operation and Development) (2021) Labour force statistics – sex and age indicators. OECD: Paris. Viewed 20 December 2021.

[41] Australian Bureau of Statistics General Social Survey (2010) 4159.0 - General Social Survey: Summary Results, Australia, 2010 (abs.gov.au)

[42] Koppel S., and Berecki-Gisolf, J. (2015) Car Licensing Trends of the Babyboomer Cohort (b. 1946–1965) Compared to Earlier Birth Cohorts: Effects on the Driving Population in the State of Victoria, Australia. Traffic Injury Prevention 16(7) 657-663.

[43] ABS (2019) Disability, ageing and carers, Australia: summary of findings, 2018. ABS cat no. 4430.0. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0

[44] ABS (2019) Sources of data for Aboriginal and Torres Strait Islander peoples with disability, 2012–2016. ABS cat no. 4431.0.55.004. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4431.0.55.004

[45] ABS (2019) Disability, ageing and carers, Australia: summary of findings, 2018. ABS cat no. 4430.0. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0

While many people with a disability can drive or access public transport, many cannot. 5.7% of Australians have a profound or severe disability (nearly one in three people with disability).[46] This means sometimes or always needing help with mobility.[47]

Around 5,600 people aged under 65 living with disability are in permanent residential aged care and 93% face limitations relating to transport, including having limited access to mass transport.[48]

Not all disabilities are permanent and almost everyone will temporarily or permanently experience disability at some point in their life.[49] Given this, the mobility needs of people with disability vary in terms of the duration and extent to which they require support.

People's experiences of disability are complex and involve the interaction between a health condition and environmental factors such as community attitudes and access to services. Limited access to transport can have substantial negative influences on a person's ability to perform everyday activities and participate in community life.[50]

An Australian government consultation paper published in 2019 for the new Australian Disability Strategy 2021-2031 included the results of a public online survey about issues for people with a disability. The report highlighted more accessible and affordable transport to assist people with a disability to access employment, health and other activities as a common issue raised. Results showed that 'safe, accessible and affordable transport' was a severe issue for 24% and a major issue for 31%. [51]

2.4.3 People outside major cities

Around 7 million people in Australia (28% of the population) live in rural and remote areas and around 725,000 people (3% of the population) live in outer-urban areas, which comprise just 10 Local Government Areas (LGAs).[52]

People outside major cities can often suffer from geographic exclusion, whereby poor transport provision results in inaccessibility in rural, remote or outer-urban areas.[53]

For people living in rural and remote areas, low levels of public transport access, relatively low levels of vehicle ownership, non-family friendly transport options and

[46] *Ibid.*

[47] *Ibid.*

[48] Australian Institute of Health and Welfare (2020) People with disability in Australia. https://www.aihw.gov.au/reports/disability/people-with-disability-in-Australia [Accessed 26 October 2021]

[49] World Health Organization (2001), International Classification of Functioning, Disability and Health (ICF), Geneva, 2001

[50] Ibid.

[51] The Social Deck Pty Ltd. (2019) Right to Opportunity: consultation report to help shape the next national disability strategy. NDS Beyond 2020 Consultation Report (dss.gov.au). (Note: the sample size of this question was N=2070 and consisted of: 40 per cent (n=1,051) had a disability; 43 per cent (n=1,149) were parents, guardians or other family members of a person with disability; and 13 per cent were carers of a person with disability (34 per cent of carers also reported having a disability).)

[52] ABS, Regional Population Growth (ABS Cat. no. 3218.0)

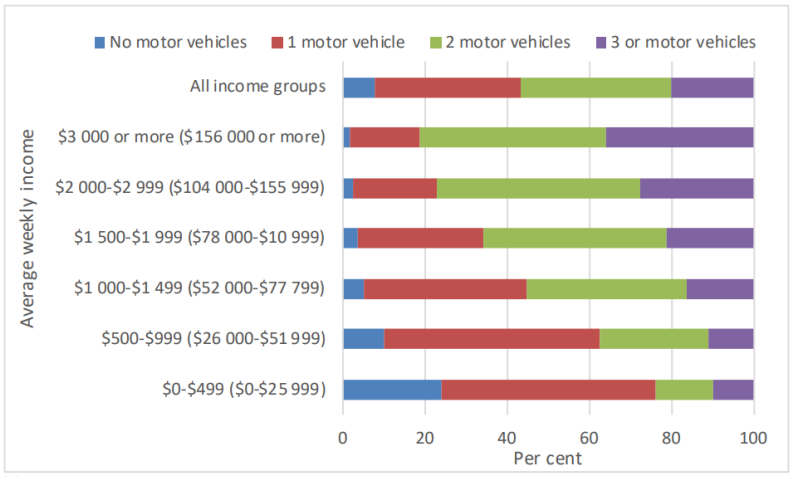
[53] Currie, G., & Stanley, J. (2007) No way to go: Transport and social disadvantage in Australian communities.

generally limited transport options are significant barriers – for example, in accessing hospitals, educational institutions and employment opportunities, due to the cost of transport, distance, or because these services are not evenly distributed across the country.[54] [55] This can result in social isolation and prevent them participating fully in society,[56] where limited access to mobility is both a barrier and also a contributing factor that can exacerbate complex needs and compound disadvantage.

Vehicle ownership

Analysis by the Bureau of Infrastructure and Transport Research Economics (BITRE) illustrates that lower income households are also less likely to own a car (Figure 5). In the lowest household income bracket (less than $26,000 a year), 24% have no vehicle, while 76% have at least one vehicle and 10% have three or more. Around 47% of all households with no vehicles are in the lowest income category. [57]

Figure 5 – Distribution of households by number of motor vehicles for each income category, Australia, 2016 [58]



Notes:
1. Total household income in brackets are on annual basis.
2. Motorcycles are not included.
3. Excluding negative income, partial income stated, all incomes not stated, not applicable, not stated and not applicable.
Source: BITRE analysis of ABS *Census of Population and Housing* 2016 (TableBuilder Pro).

Analysis of the differences in vehicle ownership across Australia, as shown in Table 2 below, shows the proportion of households with no motor vehicle in remote areas

[54] Rosier, K., & McDonald, M. (2011). The relationship between transport and disadvantage in Australia. Australian Institute of Family Studies.

[55] *Ibid.*

[56] Rural Health Information Hub (2019) Needs Related to Transportation in Rural Areas. https://www.ruralhealthinfo.org/toolkits/transportation/1/needs-in-rural [Accessed 23 November 2021]

[57] Bureau of Infrastructure and Transport Research Economics (2019) Relationship between transport use and income in Australia. https://www.bitre.gov.au/publications/2019/relationship_between_transport_use_and_income_in_australia

[58] Bureau of Infrastructure and Transport Research Economics (2019) Relationship between transport use and income in Australia. https://www.bitre.gov.au/publications/2019/relationship_between_transport_use_and_income_in_australia

(6.7%) and particularly very remote (18%) areas indicates greater reliance on alternative transport needs in areas where public transport services are more likely to be difficult to access or non-existent.

Yet in many regional and remote areas car dependence can be higher. As one interviewed stakeholder from Western Australia noted: “Western Australia’s very dependent on the car because our public routes don’t connect terribly well. In regional and remote areas, there is very little community transport or public transport. So, users [of community transport] tend to be those who don’t have access to a car.”

Table 2 – Private dwellings and vehicle ownership in Australia, by remoteness

	Private dwellings with no motor vehicle	Total private dwellings	% dwellings with no motor vehicle
Major Cities	486,661	5,845,491	8.3%
Inner Regional	82,970	1,568,684	5.3%
Outer Regional	38,879	726,421	5.4%
Remote	6,329	94,997	6.7%
Very Remote	8,700	48,418	18.0%

Source: IPPG. Based on PHIDU (2021), ABS (2017)

There were also significant variations in vehicle ownership in remote areas between states and territories. For very remote areas of NSW, QLD and WA around 14% of households do not own a vehicle, whereas for the NT 10.7% of households in remote areas and 37% of households in very remote areas do not own a vehicle.

Geographic and economic exclusion

While the concentration of the Australian population in major cities means that most people experiencing socio-economic disadvantage are living in cities, people in regional and remote areas may be more likely to suffer from economic exclusion, including experiencing income inequality and facing greater challenges in accessing material and social resources and participating in society. [59] [60]

As described in the Australia State of the Environment 2016 report, there can be a complex intersection of factors for people outside major cities around geographic and economic exclusion:

“Transport disadvantage can also occur in specific geographical locations such as outer-urban (‘fringe’) areas, and rural and remote Australia. The reliance on private motor vehicles in outer-urban and inner-regional areas particularly affects lower-income groups. Rising fuel prices, combined with poor public transport infrastructure and the

[59] National Rural Health Alliance (2014) Income inequality experienced by the people of rural and remote Australia. Submission to the Senate Inquiry into the Extent of Income Inequality in Australia, October 2014

[60] Australian Bureau of Statistics (2016) 2071.0 - Census of Population and Housing: Reflecting Australia - Stories from the Census, 2016. [Accessed 4 November 2021]

need to travel further distances to employment, can result in 'transport poverty' for these groups." [61]

Other 2014 research on transport in remote Australia also highlights the combined challenges of geographic exclusion, lack of transport access and costs. This indicated that "for people who do not have access to public or private motorised vehicles, combined annual costs are $4,000–$7,000 higher" per person for transport for people living in remote communities in Australia compared to those in non-remote areas.[62]

As a result, Australians living in more remote areas face unique challenges due to their geographic location, often have poorer health outcomes than people living in metropolitan areas and are also less likely to be employed or have completed year 12 [63] [64] [65] – making people living in rural and remote areas and with limited access to transport more likely to face compounding disadvantages associated with both geographic and economic exclusion.

One in five Indigenous Australians also live in remote and very remote areas, compared to one in 50 for non-Indigenous people [66] and face higher rates of chronic and preventable illnesses, lower life expectancies and poorer self-reported health.[67]

Research also shows that transport options for Indigenous Australians living in communities in remote or outer urban fringe areas are limited, including a lack of access to public transport or motor vehicles for those living in remote areas, as well as challenges for those in non-remote areas in accessing public transport or motor vehicles compared to non-Indigenous Australians.[68] [69]

In outer-urban areas (those beyond the metropolitan fringe, at the interface between city and country), disadvantage related to transport is a result of "a range of intersecting factors including poor public transport infrastructure, a higher proportion of

[61] Coleman S (2016) Built environment: Livability: Transport. In: Australia state of the environment 2016, Australian Government Department of the Environment and Energy, Canberra, https://soe.environment.gov.au/theme/built-environment/topic/2016/livability-transport, DOI 10.4226/94/58b65a5037ed8

[62] Spandonide, B. (2014) Transport systems in remote Australia: Transport costs in remote communities. CRC-REP Working Paper CW017, p.v. Ninti One Limited, Alice Springs.

[63] Rosier, K., & McDonald, M. (2011) The relationship between transport and disadvantage in Australia. Australian Institute of Family Studies

[64] ABS (2019) Disability, ageing and carers, Australia: summary of findings, 2018. ABS cat no. 4430.0. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0

[65] AIHW (Australian Institute of Health and Welfare) 2014. Australia's health 2014. Cat. no. AUS 178. Canberra: AIHW.

[66] Australian Institute of Health and Welfare (2017) Australia's welfare 2017: in brief. Canberra: AIHW.

[67] Australian Institute of Health and Welfare (2020) Rural and remote health. https://www.aihw.gov.au/reports/australias-health/rural-and-remote-health [Accessed 22 November 2021]

[68] ABS (2010) *The health and welfare of Aboriginal and Torres Strait Islander Peoples* 2010. Canberra

[69] Rosier, K. & McDonald, M. (2011) *The relationship between transport and disadvantage in Australia*. Australian Institute of Family Studies.

low-income households and the need to travel further distances in order to get to places of employment, services and activities." [70]

Outer-urban areas of Australia often have inadequate public transport services meaning that the public transport is less frequent, less available and less accessible than it is in urban areas. [71] [72] [73] [74] A 2009 study by Currie et al. found that transport costs were a 'major issue' for low-income households with two or more cars in the outer-urban areas of Melbourne, with the cost of two or more cars representing as much as 50% (or more) of total income.[75] [76]

Complex needs outside major cities

The results of the Australian government Australian Disability Strategy survey referred to in section 2.4.2 above showed that, for people with a disability, transport was also more likely to be a severe or major issue for people outside major cities (59%) compared to those in major cities (54%). Concerns raised by people with a disability in rural and remote areas included "a lack of specialist services and healthcare in rural and remote locations, as well as a lack of transport options/funding to travel to specialist appointments in urban centres" [77]

There is also a significant relationship between ageing and geographical remoteness. While the ageing population is expected to grow everywhere (as shown earlier in Table 1), nationwide the projected rate of growth of the 85+ population in particular is substantially higher in regional and remote areas (Figure 3). In contrast, however, analysis of population growth rates for people aged 15-64 years for 2025 and 2030 by remoteness area (Figure 6) reveals that negative growth rates are expected for people below 65 years old in outer regional, remote and very remote areas across Australia.

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[70] Rosier, K., & McDonald, M. (2011) The relationship between transport and disadvantage in Australia. Australian Institute of Family Studies, p.1

[71] Currie, G., Richardson, T., Smyth, P., Vella-Brodrick, D., Hine, J., Lucas, K., Stanley, J., Morris, J., Kinnear, R., & Stanley, J. (2009). Investigating links between transport disadvantage, social exclusion and well-being in Melbourne – Preliminary results. Transport Policy, 16, 97–105

[72] Currie, G., Richardson, T., Smyth, P., Vella-Brodrick, D., Hine, J., Lucas, K., Stanley, J., Morris, J., Kinnear, R., & Stanley, J. (2010). Investigating links between transport disadvantage, social exclusion and well-being in Melbourne – Updated results. Research in Transportation Economics, 29, 287–295.

[73] Mees, P. (2000). A very public solution: Transport in the dispersed city. Melbourne, Melbourne University Press.

[74] Rosier, K., & McDonald, M. (2011) The relationship between transport and disadvantage in Australia. Australian Institute of Family Studies

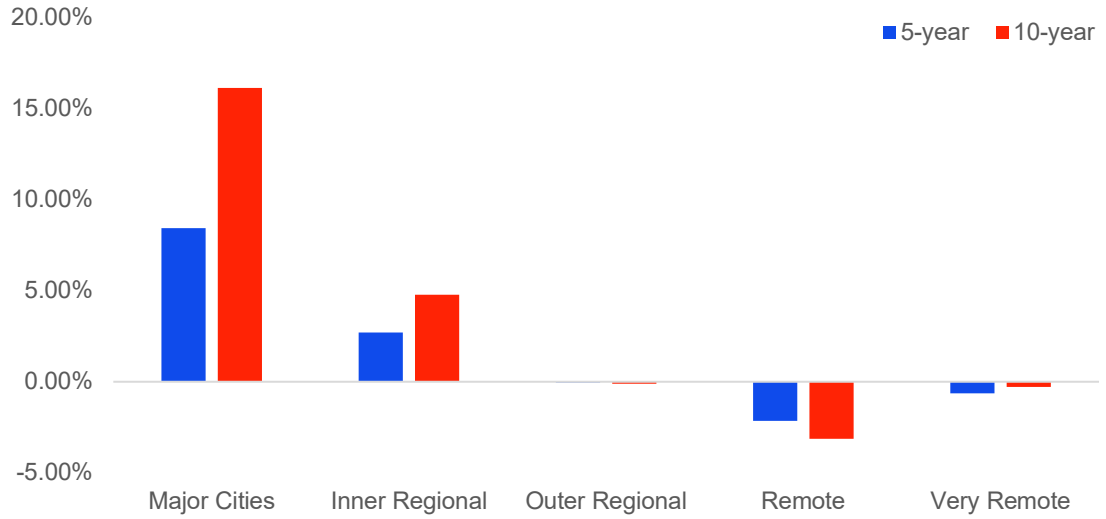
[75] Currie, G., Richardson, T., Smyth, P., Vella-Brodrick, D., Hine, J., Lucas, K., Stanley, J., Morris, J., Kinnear, R., & Stanley, J. (2009). Investigating links between transport disadvantage, social exclusion and well-being in Melbourne – Preliminary results. Transport Policy, 16, 97–105

[76] Rosier, K., & McDonald, M. (2011). The relationship between transport and disadvantage in Australia. Australian Institute of Family Studies.

[77] The Social Deck Pty Ltd. (2019) Right to Opportunity: consultation report to help shape the next national disability strategy. NDS Beyond 2020 Consultation Report (dss.gov.au), p.50. Note: the sample size of this question was N=2070 and consisted of: 40 per cent (n=1,051) had a disability; 43 per cent (n=1,149) were parents, guardians or other family members of a person with disability; and 13 per cent were carers of a person with disability (34 per cent of carers also reported having a disability).

Consequences of these trends may include a significant shift in the proportion of older people in more remote locations who need transport support, with fewer people under 65 years living in those areas to help provide the services required to meet the mobility needs of an older population with complex needs.

Figure 6 – % growth in population of Australia, 15-64 years, by Remoteness Area



Source: IPPG analysis, based on PHIDU (2021)

2.5 The policy context

Approaches to addressing transport disadvantage and social exclusion are many and diverse. In Australia, governments at all levels adopt a range of policies, programs and major reforms that impact on and/or contribute to addressing transport disadvantage.

Some policies seek to target people with specific needs for support, such as older people and people with disability, while others aim to improve the overall provision of services and accessibility of the transport system.

The most relevant areas of policy and reform in the context of community transport and this research have occurred in health and aged care, disability and transport. These are delivered by multiple different agencies across policy portfolios and different levels of government, with varying focus but all ultimately aiming to improve access to essential services, social inclusion and full participation in the community.

2.5.1 Healthy ageing and aged care

Across the globe, there have been significant changes in policy around ageing, with a move towards 'healthy ageing' whereby older people remain active participants in society, connected to their communities.

The international policy context acknowledges that people worldwide are living longer and a focus on healthy ageing is required. The WHO has declared the Decade of Healthy Ageing (2020-2030), putting a spotlight on the need for governments, civil

society and private industry to engage in collaborative efforts to improve the lives of older people, their families and the communities they live in – for example through supportive physical and social environments, including safe and accessible transport.[78]

The Productivity Commission 2011 *Caring for Older Australians* Inquiry Report recommended introducing fundamental reform to the aged care system to address limited customer choice, inconsistent inequitable government subsidies and user contributions and variable quality.[79] In essence, the report recommended a move away from block-grant funding towards a consumer-driven, market-based, sustainable aged care system based on a person-centred funding model (and some of the associated funding mechanisms and reforms are discussed later on in this report).

During 2019-20, government spending on aged care exceeded $21.5 billion for services used by over 1 million Australians each year and grew 26% in the five years since 2015-16.[80]

Until relatively recently, the focus of aged care in Australia has been on residential care (which remains the most expensive mode of care). In 2014-15, the vast majority of Australian Government aged care spending (75%) was on residential care, with the Home and Community Care (HACC) program accounting for 13% and Home Care Packages a further 9%.[81]

In response to the Productivity Commission report, the Australian Government established the *Living Longer, Living Better* reforms in legislation in June 2013, which aimed to deliver more support and care at home, additional home and residential care places, greater consumer choice and control and a move towards "a less regulated, more consumer-driven and market-based aged care system".[82]

The Australian Government has acknowledged that "Senior Australians want to remain independent and in control, living at home and connected to their community".[83] The increased focus on ageing-in-place is reflected in changes in government spending over time. Commonwealth aged care spending for home care and support services grew by 47% from 2015-16 to 2019-20, while spending for residential aged care only grew by 18% over the same period.[84]

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[78] World Health Organisation (2020) UN Decade of Healthy Ageing 2020-2030, endorsed by the 73rd World Health Assembly on 3 August 2020. It was also welcomed by the UN General Assembly on 14 December 2020 (Resolution 75/131). https://www.who.int/initiatives/decade-of-healthy-ageing

[79] Productivity Commission (2011) *Caring for Older Australians – Inquiry Report Overview,* No. 53, 28 June 2011

[80] AIHW (2021) Spending on aged care, 27 April 2021: https://www.gen-agedcaredata.gov.au/Topics/Spending-on-aged-care

[81] Department of Health (2015), *2014-15 Report on the Operation of the Aged Care Act 1997*

[82] Department of Social Services (2015) *Commonwealth Home Support Programme: Programme Manual 2015*

[83] Australian Department of Health website. https://www.health.gov.au/initiatives-and-programs/aged-care-reforms/five-pillars-to-support-aged-care-reform [Accessed 17 November 2021]

[84] Australian Institute of Health and Welfare (2021) *Spending on aged care, 2019-20:* https://www.gen-agedcaredata.gov.au/Topics/Spending-on-aged-care [Accessed 21 November 2021]

In response to the Royal Commission into Aged Care Quality and Safety, which published its final report in February 2021,[85] the Australian Government has committed to a range of significant reforms of the aged care system,[86] including expanding funding support for home care.[87]

2.5.2 Disability

There has been fundamental international policy change for people with a disability over recent decades, culminating in the human rights ambitions outlined in the Convention on the Rights of People with a Disability (CRPD).

The CRPD sets out civil and political rights, as well as social, economic and cultural rights, with an overall purpose (Article 1): "…to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity." [88]

As a signatory to the CRPD, under Article 9 "Accessibility", Australia is committed to "...take appropriate steps to give people with disability access, in the same way others have access, to things, places, transport, information and services that are open to the public." [89]

The Australian Government has implemented the CRPD through the National Disability Strategy 2010-2020. The profound policy reform in this area has been the introduction of the National Disability Insurance Scheme (NDIS), which commenced in 2016 under the National Disability Insurance Scheme Act 2013. The scheme provides support for eligible people who are between 7 and 65 years old with one or more permanent impairments that impact their daily lives and ability to fully participate socially and economically.

When it was introduced, the NDIS was not available for people with disability to join if they were over 65 years. Research has projected that between 2017 and 2026, the number of people aged 65 years and over eligible for support through the NDIS will grow nearly six-fold.[90]

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[85] The Royal Commission into Aged Care Quality and Safety website: https://agedcare.royalcommission.gov.au/ [Accessed 20 November 2021]

[86] Australian Department of Health website https://www.health.gov.au/initiatives-and-programs/aged-care-reforms/five-pillars-to-support-aged-care-reform. [Accessed 17 November 2021]

[87] Australian Department of Health (2021) Budget 2021-22 fact sheet: Aged Care – Immediate investment to address critical need. https://www.health.gov.au/sites/default/files/documents/2021/05/home-care-pillar-1-of-the-royal-commission-response-immediate-investment-to-address-critical-need.pdf [Accessed 17 November 2021]

[88] Convention on the Rights of Persons with Disabilities (CRPD), opened for signature 30 March 2007, 2515 UNTS 3 (entered into force 3 May 2008).

[89] Attorney General website – Rights of people with disability: public sector guidance sheet https://www.ag.gov.au/rights-and-protections/human-rights-and-anti-discrimination/human-rights-scrutiny/public-sector-guidance-sheets/rights-people-disability [Accessed 17 November 2021]

[90] Biddle, N. & Crawford, H. (2017) Projections of the number of Australians with disability aged 65 and over eligible for the National Disability Insurance Scheme: 2017–2026. Australasian Journal on Ageing, Vol.36, Issue 4, p.E43-E49. https://doi.org/10.1111/ajag.12415

A new Australian Disability Strategy 2021-2031 is currently being developed by the Australian, State and Territory Governments in consultation with consumers, supported by the Department of Social Services, and is expected to be released shortly.[91]

2.5.3 Changes to delivery of health services

Recent national trends in the delivery of health services have changed the transport needs associated with accessing and using healthcare in Australia, especially for people living in regional and remote areas.

Changes to delivery of health services have resulted in a concentration of services in fewer hospitals, greater prevalence of early discharge and use of day surgery and fewer GPs in regional areas – which in places like NSW meant demand for community transport services to access healthcare more than doubled from 1996 (240,000 trips) to 2006 (680,000 trips).[92]

Over the last decade, there has been a slowing of the increase in the number of GPs in regional and remote areas.[93] Variations between different levels of remoteness illustrate the concentration of services. For example, from 2018 to 2020 the number of GPs in major cities and inner-regional areas grew by 20.1 and 15.4 per every 100,000 population, respectively, while in outer-regional, remote and very remote areas, these grew by 12, 11.7 and 7.9, respectively.[94]

More generally, rural and remote Australia face complex challenges magnified by unique characteristics, as outlined in the *National Strategic Framework for Rural and Remote Health.*[95] The framework highlights that people living in rural and remote areas face restrictions in accessing treatment, which is a particular issue when early treatment may prevent conditions worsening and, potentially, leading to avoidable morbidity and mortality. Those without access to a car or reliable public transport face the prospect of not receiving treatment because of access problems.[96]

Other nation-wide changes to the delivery of health services can also be observed, including a move toward earlier discharge times and an increase in day surgery. In 2017-18, same day discharge accounted for 61% of all discharges compared with 59%

[91] Department of Social Services (2021) A new National Disability Strategy https://www.dss.gov.au/disability-and-carers/a-new-national-disability-strategy [Accessed 17 November 2021]

[92] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO). (2007). No Transport, No Treatment.

[93] Department of Health. (2016). GP workforce statistics – 2001-02 to 205-16. Canberra. DoH. Available at: https://hwd.health.gov.au/ [Accessed 24 November 2021].

[94] The Royal Australian College of General Practitioners. (2018). General Practice: Health of the Nation 2018. East Melbourne, Vic: RACGP.

[95] Department of Health. (2020). National Strategic Framework for Rural and Remote Health. Commonwealth of Australia.

[96] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO). (2007). No Transport, No Treatment.

in 2013-14.[97] An increase in early discharge and growing use of day surgery means that patients need more assistance upon discharge and while travelling, making many transport options unsuitable, such as driving themselves or catching public transport. This is reflected in the 2005 Future Ageing report by the House of Representatives Standing Committee on Health and Ageing, which states that: "early discharge, attendance as outpatients, day treatment at doctors' surgeries mean that older people must travel more frequently for health care, often under circumstances when they require support while travelling."[98]

These changes indicate that demand for community transport to access healthcare services, particularly in rural and remote areas, may be increasing across Australia. In NSW, for example, community transport providers refuse an estimated 90,000 requests for transport to health services each year due to an inability to meet demand.[99]

2.5.4 Accessible public transport

In addition to major national programs that provide transport support to eligible older people and people living with disability, another major pillar of addressing transport disadvantage is in improving the overall accessibility of public transport services.

Accessible transport is an important step in improving access to services, community and opportunity for people facing many forms of transport disadvantage. In large part this is a function of state transport agencies in investing in and delivering infrastructure and services to improve the availability of and access to public transit and other forms of transport for the general population.

However, many will still need some form of additional mobility assistance, either in crossing the 'last mile' between transport services and their home/destination or requiring support or specialised assistance through their journey on accessible vehicles, and accessible transport also relates to providing transport that can be used by people with a disability.

Mobility plays a key role in the struggle for equal opportunity in the disability community, with access to transport a crucial pre-requisite to ensure that people have the means to participate in education, employment, recreation and all aspects of community life. The barriers that people with disability face in accessing public transport are diverse and may include poor vehicle design; lack of accessible curbs, crosswalks or footpaths; the absence of elevators; and non-existent or inaccessible

[97] Australian Institute of Health and Welfare. (2019). Admitted patient care 2017-18. Australian hospital statistics. Health services series no. 90. Cat. No. HSE 225. Canberra. AIHW.

[98] House of Representatives Standing Committee on Health and Ageing. (2005). Inquiry into long-term strategies to address the ageing of the Australian population over the next 40 years. Canberra: Commonwealth of Australia.

[99] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO). (2007). No Transport, No Treatment.

signage and wayfinding.[100] They may also experience anxiety around public/private transport and distance to bus stops and train stations.

The Disability Discrimination Act 1992 (Commonwealth) establishes the Disability Standards for Accessible Public Transport 2002 (Transport Standards), which apply to a wide range of public transport services and requires public transport networks and infrastructure to be fully accessible by the end of 2022.[101]

Australian State and Territory governments have an array of transport policies and action plans in place aimed towards improving accessible transport outcomes, particularly for older people and people with a disability. Examples include:

- The Queensland Department of Transport and Main Roads' Disability Action Plan 2018-2022 [102]
- Transport for NSW's Older Persons Transport and Mobility Plan 2018-2022 [103]
- The Victoria Department of Transport's Accessibility Action Plan 2020-2024 [104]
- The Western Australia Department of Transport's Disability Access and Inclusion plan 2017-2022 [105]

However, as Infrastructure Australia have noted: "Despite ongoing upgrades to our public transport networks, governments are almost certain to miss legislated deadlines to ensure public transport is accessible for people with disabilities." [106]

[100] The Dirt (2020) Don't Exclude: Ending Transportation Barriers for People with Disabilities. https://dirt.asla.org/2020/02/11/how-to-expand-access-to-transportation-for-people-with-disabilities/ [Accessed 17 November 2021]

[101] Australian Department of Infrastructure, Transport, Regional Development and Communications website: Transport accessibility. https://www.infrastructure.gov.au/infrastructure-transport-vehicles/transport-accessibility [Accessed 19 November 2021]

[102] Queensland Department of Transport and Main Roads (2015) Disability Action Plan 2018-2022 https://www.tmr.qld.gov.au/Travel-and-transport/Disability-access-and-mobility/Disability-Action-Plan

[103] Transport for NSW (2019) Older Persons Transport and Mobility Plan 2018-2022 https://future.transport.nsw.gov.au/plans/older-persons-transport-and-mobility-plan-2018-2022

[104] Victoria Department of Transport Accessibility Action Plan 2020-2024 https://transport.vic.gov.au/-/media/tfv-documents/dot_accessibility-action-plan-2020-031220.pdf?la=en&hash=9474D395D4E3ECE8686A43D249E35933

[105] Western Australia Department of Transport Disability Access and Inclusion Plan 2017-2022 https://www.transport.wa.gov.au/aboutus/disability-access-and-inclusion-plan.asp

[106] Infrastructure Australia (2019) Infrastructure Audit Report, p.265

2.6 The value of community transport

A significant minority of the population do not have equal transport access and may experience transport disadvantage and social exclusion. Barriers to access as well as a lack of adequate provision can be a major impediment to health and wellbeing for individuals, risks failure in major government programs, and imposes significant downstream costs on society.

In this context, community transport – which is the focus of this study – is one part of the solution. It represents a critical component of social infrastructure that enables equitable access to health, social and community care, services and participation for a sliding-scale of vulnerable and disadvantaged segments of the population, providing an essential support where conventional private or public transport systems are not considered viable or appropriate.[107] [108]

As a result, community transport has become "an increasingly common way of addressing unmet transport needs of people at risk of social exclusion" [109] and delivers significant value to individual customers and wider society. This includes:

- Value to individual customers and local communities, in providing highly tailored services and care, establishing trusted ongoing relationships, and providing access to key services, local amenities and opportunities for social interaction, and
- Value in facilitating a wide variety of social, health, aged care, disability and transport policy outcomes and wider social and economic objectives, for example by supporting positive physical and mental health, community care and social wellbeing, economic participation and reducing significant health system costs.

Research by Nelson et al. (2017) found that community transport is a critically important service providing cross-cutting benefits across a range of policy areas, including transport, health, social services and leisure, and in tackling inequalities.[110]

While these benefits are widely acknowledged, and some evidence of this value is described below, there remains relatively limited specific or quantifiable evidence of the true value and benefits that community transport delivers. [111]

A range of benefits identified in this research are illustrated in Figure 7 below and discussed in further detail in the sections that follow.

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[107] NSW Government (2006) State Plan: A new direction for NSW. Sydney: Premier's Department.

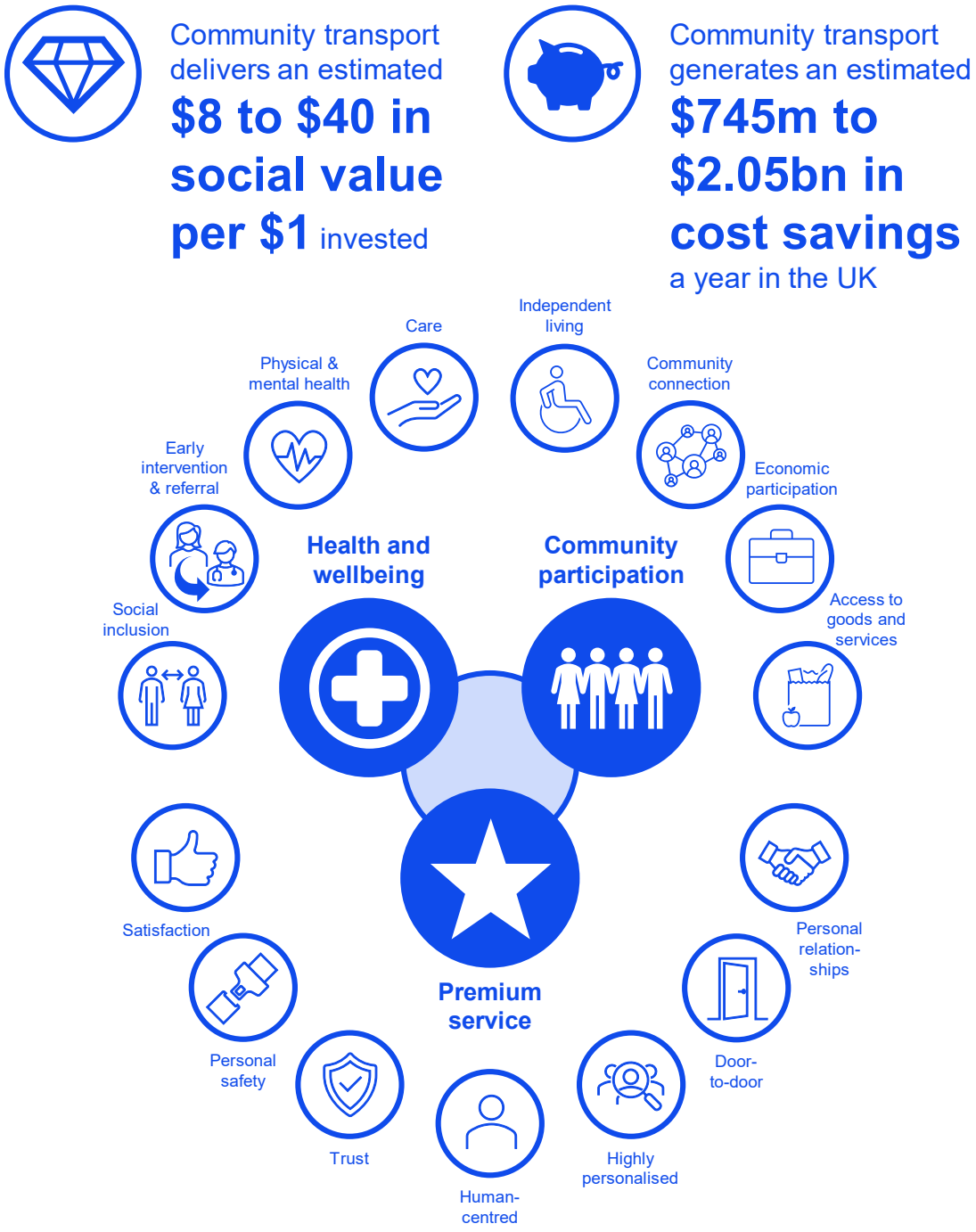
[108] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO) (2007) No Transport, No Treatment, p.13

[109] Stanley, J., & Lucas, K. (2008) Social exclusion: What can public transport offer? Research in transportation economics, 22(1), 36-40, p.38

[110] Nelson, J. D., Wright, S., Thomas, R., & Canning, S. (2017) The social and economic benefits of community transport in Scotland. *Case studies on transport policy*, *5*(2), p.286-298.

[111] The Scottish Parliament (2013) Infrastructure and Capital Investment Committee 7th Report, 2013 (Session 4) Report on Community transport.

Figure 7 – Overview of key benefits associated with community transport



2.6.1 Customer and community benefits

One 2017 study in the UK involving 11 in-depth interviews with providers, desk research and four in-depth case studies of successful community transport organisations found that services delivered social and economic values for passengers and the local community:

> "Social relevance is an important motivating factor for CTOs [community transport organisations] and includes delivering value for the passenger, benefits for the community through promoting social cohesion, and economic value for the local community by connecting local passengers to local retailers.
>
> CTOs generate social value not only in the outcomes of their service but also in how they deliver services (e.g., generating social interaction amongst lonely passengers)." [112]

Core to the value offered by community transport is **highly personalised, human-centric services with a significant focus on care**, which are responsive to a sliding scale of individual needs with trained staff.

Participants at the workshop placed significant emphasis on the role of community transport as a community care rather than a purely transport service. Providers referred to the primacy of customer-centric care and premium, individually tailored nature of services, described by one participant as a "'white glove, door-to-door, not just gutter-to-gutter service."

This view was echoed by interviewed providers, who reiterated the tailored, door-to-door services and focus on care, distinguishing it clearly from other forms of transport:

- *"Public transport doesn't have any requirements as far as care – they don't operate in that framework at all. And they're not in the health model, they're in a transport model."*
- *"It's a demand responsive service so we take you where you like to go. Public transport takes you from a point to a point and you need to do the rest… also a level of care."*
- *"I think it's probably that ability to do a slightly more tailored service… Public transport is very much a point to point with a pre-set of routes, some work for you and some don't"*

> "A distinguishing feature of [community transport organisations] is their person-centred approach to passenger service. This involves providing transport that is reliable, flexible and person-centred." [113]

[112] Kotecha, M., Davies M., Miscampbell G., Barnard M. & Hughes S. (2017) What works: Successful community transport, Power to Change Research Institute Report No. 7

[113] Kotecha, M., Davies M., Miscampbell G., Barnard M. & Hughes S. (2017) What works: Successful community transport, Power to Change Research Institute Report No. 7

This personalised, human-centric approach – combined with the community-based nature of many services – reinforces the value that community transport can offer customers through building direct, ongoing **personal relationships and trust**, which provides many customers with a sense of safety and support.

Again, these were major features of community transport raised in the workshop and interviews with providers, who consistently cited the importance of trust as a key value, as well as reliability, respect, knowing the customers and establishing interpersonal relationships.

Providers also stressed the benefits this had in providing safety and security for their customers. The highly regulated nature of services and quality aspirations in the aged care sector were also referenced as important in providing a safe and secure service environment.

These factors can lead to **higher levels of satisfaction and feelings of safety** for many customers. 2016 Transport for NSW customer research with community transport customers provides an example. In this research, which surveyed 536 people across NSW:

- 99% of customers were satisfied or extremely satisfied with their community transport service, including high levels of overall satisfaction, satisfaction with all service attributes and satisfaction across regions and customer sub-groups, and
- 93-96% of customers aged 65 years or more indicated they felt safe using community transport. This compared with only 86% when using a taxi arranged by community transport. For customers under 65 years old, 95-97% felt safe using community transport while only 81% felt safe in a taxi.[114]

Many providers involved in the workshop also pointed to the significant role that community transport services performed as an **integrated part of community social infrastructure** and in providing a holistic service – with one provider describing community transport as the 'glue' that helps connect customers to other care and community services and to social and support networks.

Examples provided included community transport's role as an important hub of information, acting as a point of connection between transport, health and aged care services, as well as having direct relationships or associations with other community service organisations as part of a network of support services.

This included a potentially critical holistic care function as a first touch point with customers, having a 'front line view' in identifying potential health issues or changing needs for customers, or even detecting potential abuse, and helping to connect or refer customers to other services and support early intervention.

[114] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW.

2.6.2 Contribution to broader outcomes

In the context of an ageing population and significant complex needs among older people and people living with disability, described above, community transport providers play a significant role in **underpinning the success of aged care and disability support needs and objectives**.

Transport accessibility is a key determinant of the ability of older people to remain healthy, active and to access services and programs.[115] Many older people demonstrate a desire to cope with illness and maintain independence, however factors such as poor communication and coordination of services and lack of information on services such as care pathways can interfere with these efforts.[116]

Assisted mobility services such as community transport are therefore a crucial support for the ageing population, who experience greater needs for social and health care services as well as increased vulnerability, including a heightened risk of injury, noncommunicable diseases, social isolation, exclusion and mental health disorders.[117]

Programs such as the Commonwealth Home Support Program (CHSP) and Home Care Packages (HCP) provide significant funding for eligible older people to access a wide range of care services, including transport support such as community transport services or other subsidised transport, to access medical appointments, get to the shops and remain connected to the community.

The number of people using home care has tripled over the last ten years[118] and as the number of older people remain supported at home further increases, this will lead to increased demand for accessible transport services and assisted mobility support, such as community transport, as a key enabler of ageing-in-place strategies.

Access to transport that is appropriate and accessible for a sliding scale of abilities is also essential for people to access services and fully participate in community life and the economy. It is vital to their ability to access work, study and connect with family, friends, and the community.

As with aged care, the disability support sector is undergoing a move away from institutional residential care towards more independent living in the community. This brings an increasing reliance on mobility to allow people with disability to access day services and healthcare and participate in the community.

There are numerous references in previous research and in qualitative evidence gathered from stakeholders for this research around the beneficial impacts that community transport can have on **social wellbeing and improved mental health**,

[115] Currie, G., & Stanley, J. (2007) No way to go: Transport and social disadvantage in Australian communities.

[116] *Ibid.*

[117] WHO (2021) Risk factors of ill health among older people. Retrieved July 19 from https://www.euro.who.int/en/health-topics/Life-stages/healthy-ageing/data-and-statistics/risk-factors-of-ill-health-among-older-people

[118] Australian Institute of Health and Welfare (2021) *People using aged care*. Retrieved July 19 from https://www.gen-agedcaredata.gov.au/Topics/People-using-aged-care#Remoteness

particularly in tackling social isolation and loneliness, which are significant and can lead to serious mental and physical health issues. [119]

These issues may particularly impact older people, with some research indicating they are the most likely to experience social isolation and loneliness. According to 2018 research from the Australian Psychological Society and Swinburne University, 13% or more of people over 65 experience loneliness, with people over 75 years old the most likely to be lonely.[120] However, different research around the relationship between loneliness and age has revealed contradictory findings, likely due to different methods and samples, while factors such as relationship status can have a major impact.[121] [122]

Older people are also likely to suffer more serious health consequences from social isolation and loneliness, such as much higher risks of dementia, heart disease, stroke, depression, anxiety, suicide and premature death.[123] Other research highlights how living in a residential aged care facility can also contribute to loneliness and social isolation in older people. [124]

> "For many people, the experience of growing old is a lonely one. It can be isolating to be reliant on others for essential physical and social support. Declining cognition and mobility and increasing frailty can make it harder for those receiving care at home to maintain contact with family and friends. Loneliness and social isolation are often exacerbated by mobility issues and difficulties in accessing transport to leave the house." [125]

[119] Australian Institute of Health and Welfare (2021) Social isolation and loneliness: https://www.aihw.gov.au/reports/australias-welfare/social-isolation-and-loneliness-covid-pandemic [Accessed 23 November 2021]

[120] Australian Psychological Society & Swinburne University (2018), *Australian Loneliness Report*, APS & Swinburne University https://psychweek.org.au/wp/wp-content/uploads/2018/11/Psychology-Week-2018-Australian-Loneliness-Report.pdf [Accessed 23 November 2021]

[121] Australian Institute of Health and Welfare (2021) Social isolation and loneliness: https://www.aihw.gov.au/reports/australias-welfare/social-isolation-and-loneliness-covid-pandemic [Accessed 23 November 2021]

[122] Australian Psychological Society & Swinburne University 2018, *Australian Loneliness Report*, APS & Swinburne University https://psychweek.org.au/wp/wp-content/uploads/2018/11/Psychology-Week-2018-Australian-Loneliness-Report.pdf [Accessed 23 November 2021]

[123] US National Academies of Sciences, Engineering, and Medicine (2020) *Social Isolation and Loneliness in Older Adults: Opportunities for the Health Care System*. Washington, DC: The National Academies Press. https://doi.org/10.17226/25663external icon

[124] Neves, B. B., Sanders, A. & Kokanović, R. (2019) '"It's the Worst Bloody Feeling in the World": Experiences of Loneliness and Social Isolation Among Older People Living in Care Homes', Journal of Aging Studies, vol. 49. https://bbneves.com/wp-content/uploads/2019/06/its-the-worst-bloody-feeling-in-the-world.pdf

[125] Royal Commission into Aged Care Quality and Safety (2021) Final Report: Care, Dignity and Respect, Vol. 3A, p.93

A survey of community transport customers for the 2014 national review of HACC community transport identified "social contact with people including friends" as the top ranked factor that customers liked about community transport.[126] More recent research in Victoria revealed that 41% of older people reported feeling lonely often or some of the time.[127]

Many of the providers engaged in the workshop made extensive reference to the value and benefits of community transport in creating social connection and support networks for their customers, reducing social isolation, allowing people to stay connected in their communities and avoid the need to move into residential aged care.

> "As people's mobility declines with age, and perhaps their ability to drive and use public transport, they can lose their sense of identity and experience social isolation. Community transport provides these people with a way to maintain social connections thereby contributing to their well-being." [128]

Similarly, interviewed stakeholders believed community transport's role in connecting people to their community has positive benefits for health and well-being, in providing opportunities for social interaction for many customers that might otherwise be socially isolated, as well as offering a transport option for those that may be anxious using other forms of transport, and more broadly contributing to community connection, inclusivity and social cohesion:

- *"Without community transport, social isolation would be a major problem, even more so than what it is currently today." (community transport provider)*
- *"[Community transport] is about social inclusion." (government stakeholder)*
- *"Being that central point to make people feel connected to the communities is what I love about community transport." (industry stakeholder)*
- *"There's a lot of people with mental health concerns that would benefit from supported transport. I think that while public transport is great for people who are comfortable operating in that wider world, I think it is completely awful for people who have anxiety conditions, or nervousness conditions, and I think there would be a lot of people who just stay at home rather than accessing public transport." (government stakeholder)*

[126] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.20

[127] Commissioner for Senior Victorians (2020) Ageing Well In A Changing World: Summary Report, p.10

[128] Rambaldini-Gooding, D. (2021) How COVID-19 changed transport: What lessons can researchers learn from the pandemic? University of Wollongong Australia, 4 May 2021: https://www.uow.edu.au/the-stand/2021/how-covid-19-changed-transport.php [Accessed 22 November 2021]

- *"[Community transport] is what good communities and inclusive communities and accessible communities need in order to thrive. So, it's that thriving community, it's not just about that, oh crikey, we need a bus for all of these poor folks who can't move around." (government stakeholder)*
- *"[Community transport users are] also those, in some respects who use the service fundamentally as a way of social cohesion." (industry stakeholder)*

> "CHSP-funded shared transport provides an affordable means for people to undertake shopping trips and day care activities, with the shared transport allowing social engagement with others." [129]

Community transport can also provide significant mental health benefits for volunteers. As recently published research from Volunteering Australia (2021) shows, key benefits of volunteering can include better perceived mental health and quality of life as well as increased psychological and social capital that support improved mental health.[130]

This was again reinforced by some interviewed providers:

- *"I think for our volunteers, it's definitely something that contributes towards their mental health as well. That sense of giving back a sense of community, and for them it's really rewarding, being able to help people." (community transport provider)*
- *"Some of our service users have actually come on as volunteers when they've recovered. So, we've had clients who have had a – the clients that might have had a biking accident, or things like that, riding on their push bikes and then they've broken their shoulder. Come back, and then, what are the services? How can we help you? What can we do? Because they felt it was so good." (community transport provider)*

Community transport offers substantial value in **reducing pressure on the healthcare system and associated costs**, for example by supporting early intervention, enabling access to non-emergency health services and reducing incidences of hospitalisation and admissions.

Key health-related benefits cited by community transport providers in interviews and workshops included:

- Enabling customers to be more active, providing access to health care as well as keeping clients out of hospital and aged care facilities – keeping customers physically healthier, improving social wellbeing, reducing mental health risks and

[129] Phillipson, L. (2021) Quoted in: ACTA (2021) Reabling Mobility: The Role of Community Transport Report

[130] Volunteering Australia (2021) Evidence insights: Volunteering and mental health. https://www.volunteeringaustralia.org/research/evidence-insights/

therefore reducing doctor visits and hospital admissions (by up to 75% as claimed by one respondent), which reduces overall burden on the health system

- Reducing the incidences of people calling ambulances for non-emergency medical trips, for example to attend regular GP appointments, where they have no other transport options
- Acting as an early intervention service. For example, providers reported frequently being the only regular contact for certain isolated individuals, and uniquely positioned to observe, and intervene in, early stages of deterioration. This can include staff noticing early signs of dementia or deteriorating health in a customer, connecting them to support services, checking in on regular customers if they do not show up and keeping customers informed of issues such as changing COVID restrictions.

Beneficial impacts for health outcomes and system costs include savings linked to the issues above around the serious health impacts of social isolation and loneliness.

UK research from 2016 highlights the significant contribution that community transport has in reducing cost burdens associated with loneliness and isolation, particularly among older people. The research estimated that community transport services helped generate cost savings of between £400m to £1.1bn a year by providing easier and earlier access to public services and by providing opportunities to socialise. [131]

One Australian community transport provider interviewed for this research provided evidence based on a Social Return on Investment (SROI) model of their services, which estimated that overall, for every $1 invested their services delivered between $8-10 of value – with 50% of this value related to avoided health system costs.

There have been several other attempts to quantify the value delivered by community transport using SROI methods (which are useful at estimated the value of a wider range of benefits, though lack standardised approaches and are not typically viewed as sufficiently robust for inclusion in government cost-benefit analyses).

For example, 2013 research into the social value of 11 community transport services in Northern Ireland calculated that, over a five-year period, community transport provided a social return on investment of £12 for every £1 invested.[132]

NSW community transport peak body Community Transport Organisation Ltd (CTO), in its 2019-20 pre-budget submission to the Australian Government, claims that between $13-40 in value is delivered by community transport for every $1 of Australian Government funding – although the source of this, and method by which it was calculated, is not specified.[133]

[131] ECT Charity (2016) Why Community Transport Matters. Proving the case for community transport and its positive impact on health, wellbeing and communities. London, UK.

[132] GaugeNI (2013) The Benefits of Rural Community Transport: Social return on investment report. Rural Community Transport Partnerships

[133] Community Transport Organisation Ltd (2019) 2019-20 Pre-Budget Submission

3 Community transport landscape

Key points:

- Community transport is an essential part of social and community care infrastructure, providing services where other transport is in short supply and supporting the most vulnerable in our community
- Organisations providing community transport are highly diverse in terms of customers, services, scale and operating models. Services are costly to run and providers often rely on the active pursuit of diverse government and non-government revenue streams to remain viable, as well as volunteers
- Major government programs, especially funding for national aged care and disability supports, provide a substantial portion of funding available to the sector and in practice many services are structured to respond to these programs and the customers whose needs they target – though there are many diverse funding sources or services at national, State and Territory and local levels that aim to address transport disadvantage.

3.1 Introduction

Community transport is different from other forms of transport. This is widely acknowledged as self-evident and yet the reasons are hard to precisely pin down.

There is no single definition for community transport, and this is partly because it is not a blunt instrument. ‘Community transport’ can refer to a wide variety of local, assisted and specialised transport services that are frequently responding to and tailored towards specific assessed-individual, local community and place-based needs.

As a mobility service, community transport can often also be considered as much a health, community or social service as it is a transport one, if not more so. For example, community transport has a vital role in providing access to primary health services and chronic care in hospital systems, and as an in-community extension of the health system working to support vulnerable people’s wellbeing.

Together with the more local, ‘bottom-up’ origins of community transport that separate it from the delivery of other public or shared transport services, this means community transport operates largely independently of the wider transport system.

As a result, community transport is complex, diverse, and often not very visible, integrated or well-understood outside the sector. This section of the report therefore aims to provide some insight into the current nature and landscape for community transport, including:

- Its defining characteristics and features that distinguish it from other transport

- Who the main customers are and what they primarily use it for, and
- How community transport is delivered and funded.

3.2 What characterises community transport?

While there is no formal, consistent or agreed upon definition of community transport, there have been numerous attempts to define the term that may overlap but can vary significantly, as illustrated by the following examples:

Table 3 – Examples of community transport definitions

Source	Definition of community transport
The Australian Community Transport Association (ACTA)	*"A specialist service that is informed by a human rights understanding that all people are entitled to appropriate and accessible transport. It is an alternative to, and distinct from, other forms of public, mass and private transport options. Community Transport provides specialised transport services to those people for whom mainstream options are either inappropriate, unattainable, or otherwise inaccessible."* [134]
The Commonwealth Home Support Program (CHSP)	*"The provision of a structure or network that delivers accessible transport to eligible clients",* which can take two forms: 1. *Direct transport services – such as trips provided by a worker or a volunteer (either in a community transport vehicle or a volunteer's own vehicle), and/or* 2. *Indirect transport services – such as trips provided through vouchers (for transport to be provided by some other agency, e.g., taxi, ride-share, or another community agency).* [135] [136]
Queensland Department of Communities, Housing and Digital Economy	*"an enabling program that supports service users to access and stay connected with their local community, resulting in increased social and economic participation and wellbeing."* [137]
UK Community Transport Association	*"Community transport is about providing flexible and accessible community-led solutions in response to unmet local transport needs, and often represents the only means of transport for many vulnerable and isolated people, often older people or people with disabilities."* [138]

[134] Australian Community Transport Association (2020) Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding (ACTA Position Paper)

[135] Ibid.

[136] Commonwealth of Australia (2018) Commonwealth Home Support Programme: Program Manual 2020-2022.

[137] Queensland Department of Communities, Housing and Digital Economy (2021) Community Transport Program Guideline DCHDE Version 1.0, July 2021 p.5

[138] UK Community Transport Association website. https://ctauk.org/about-cta/what-is-community-transport/ [Accessed 21 November 2021]

Feedback on the definition of community transport demonstrated that, while it fulfils a variety of roles for different groups and definitions may not always coincide, all shared common features.

Based on an analysis of responses from the 40 interviews conducted with different stakeholder groups for this research, IPPG has identified some of the key defining characteristics of community transport. Table 4 illustrates the characteristics identified by different stakeholder groups and the degree of relevance and importance they attached to each (with a darker green colour indicating a higher level of relevance/importance for that stakeholder group).

Overall, the most significant characteristics identified related to the role of community transport in supporting the needs of **specific user groups**.

While vulnerable members of the community in general were consistently cited, stakeholders particularly highlighted older people and people with a permanent disability as key user groups for community transport. While this emphasis reflects the prominence of these customer groups (and the predominance of funding programs for these cohorts), other customer groups were also identified including people living in regional and remote areas and people with temporary disability.

In terms of the **user needs** that community transport supports, access to health and disability services, access to the community and social activities, and transport disadvantage were the three major emerging themes from the interviews.

Transport disadvantage, perhaps unsurprisingly given the breadth in scope of the issue, emerged most strongly. Government agencies especially indicated a strong role in supporting access to health services, while wider industry saw the social and community role of community transport as a key strength.

In relation to **how services are delivered**, the not-for-profit nature of many service providers was mentioned by some but was not an especially strong theme (perhaps reflecting the diversity of organisation types involved in delivery), while the important role of volunteers in delivery of many services was particularly highlighted by providers and by government agencies.

The strongest emerging characteristic around how community transport services are delivered was the door-to-door nature of services, with respondents highlighting issues such as the focus around care, the tailored nature of services and that services go beyond what other point-to-point services may provide.

Table 4 – Key identified characteristics of community transport [139]

Characteristics:		Stakeholder groups			
		Community transport providers	Government agencies	Transport / Technology industry	User groups
User groups	Older people/Aged care				
	Permanent disability				
	Temporary disability				
	Vulnerable members of the community				
	Regional/ remote				
User needs	Health/ medical				
	Social/ community				
	Transport disadvantage				
Delivery	Not-for-profit				
	Operated by volunteers				
	Door-to-door				

Source: IPPG

Table 5 provides examples of specific commentary from interviewed stakeholders that reinforces several themes and important defining features of community transport. These particularly emphasised:

- Its role as a care and community service rather than simply a transport service
- Its role in addressing transport disadvantage, social exclusion and vulnerability
- The often local, community-led, not-for-profit and volunteer nature of services, as well as the demand responsive nature of the service.

Many of these issues were also key themes that emerged from the workshop held with community transport providers, where providers placed a strong emphasis on the community and individual care role, the role of community transport in early intervention and support for vulnerable people, the personalised nature of services, and community transport as a premium door-to-door (rather than 'gutter-to-gutter') service.

Other characteristics arising from the workshop included the personal relationships and trust built with customers, the role community transport plays as the 'glue' between people and other social and community services, and the significant support and social prescription role of services in reducing loneliness and social isolation.

[139] IPPG analysis

Table 5 – Key features of community transport highlighted by stakeholders [140]

It's about *personal and community care*	It's about *equity and inclusion*	It's about *needs that can't be met by other transport*	It's about a *different model of delivery*
*"a trustworthy source… a human services organisation… there is a **duty of care**" (Government stakeholder)*	*"It doesn't matter if it's public or private. But it enables people to move around in the community and to **participate and have a meaningful life**" (Government stakeholder)*	*"transport for people who are otherwise **transport disadvantaged**" (community transport provider)*	*"**Not-for-profit or community-led** organisations that provide transport options for people who experience transport disadvantage" (community transport provider)*
*"individually, **tailoring a service** that fits their needs" (community transport provider)*	*"community transport supports people to **access their life**" (community transport provider)*	*"community transport really **fills the gap between public transport and private transport**, such as your Ubers, and your taxis" (community transport provider)*	*"Community transport is generally **volunteer driven**. The vast majority of community transport providers are **charities and non-for-profit** organisations" (community transport provider)*
*"A **level of care**. We provide not only a **door-to-door** service but all the **other intrinsic services**" (community transport provider)*	*"community transport being a **social justice initiative** that seeks to disrupt the cycle of disadvantage" (community transport provider)*	*"it meets people's **needs that traditional public transport just does not provide**" (Industry stakeholder)*	*"a **demand responsive** service" (community transport provider)*
*"community focus and that understanding – **empathy**, **compassion**" (Industry stakeholder)*	*"community transport is specifically **designed to make transport more accessible**" (Government stakeholder)*	*"CT is **filling a glaring need**, a wearing hole in the public transport network" (Industry stakeholder)*	*"It's like **Uber for vulnerable people**" (community transport provider)*

[140] IPPG analysis

3.3 Community transport customers

Where chapter 2 of this report describes the evidence around the factors influencing transport disadvantage and groups of people who may be most likely to experience it (and therefore potentially rely on services such as community transport), this section provides more specific evidence on the profile of the customers of community transport services.

While there is very limited data available on the current profile of community transport customers for most jurisdictions and at a nation-wide scale, this research provides some useful insights on those groups who represent the largest cohort of customers served by community transport in Australia – primarily:

- Older people
- People with disability
- People living outside major cities who are more likely to face geographical and/or economic exclusion, [141] and
- People who require non-emergency transport to access medical services. [142]

These are not mutually exclusive groups. For example, an elderly person may be living with a disability in a remote community, meaning that they face multiple forms of exclusion.

3.3.1 A broad range of local needs

It is important to emphasise that, while these groups may currently represent the most prominent users of community transport, this is in part a consequence of the way community transport is structured to respond to specific government funding streams and eligibility for services, rather than necessarily reflecting the broader needs and experiences of transport disadvantage in the community.

In practice, community transport customers can be anyone. Many interviewed providers reported that they provide their service to anyone who needs it, whose needs are not being met by other forms of transport.

Both providers and several other stakeholders that were interviewed described community transport customers in very broad terms around those experiencing disadvantage:

- *"In community transport, we're transporting people who experience a disadvantage" (community transport provider)*

[141] Battellino, Helen & McClain, Kevin. (2011) Community Transport in NSW – Broadening the Horizon. ATRF 2011 - 34th Australasian Transport Research Forum.

[142] Ibid.

- *"Overall commentary on who the users of CT are - 'the underprivileged'" (government stakeholder)*
- *"Primarily those who are transport disadvantaged, so those who have no access to transport" (industry stakeholder)*

Some workshop participants referred to community transport as a service that can "provide everything to everyone" and support customers that could be "5 to 105-year-olds" and "those no longer able to transport self, using transactional options of transport". Another referred to community transport as offering "everything from ride-share to high-care" services.

While community transport customers can be extremely diverse, indicators are that these services are most commonly funded for and used by older people, people with disability, people with health conditions requiring regular treatment (such as cancers or kidney disease) and those who face transport disadvantage (such as those who experience economic or geographic disadvantage). [143] [144]

3.3.2 Older people and people with disability

Although community transport customers can be extremely diverse, analysis of interview responses found that older people and people with disability were seen as the most prominent customer groups.

This was highlighted in comments from both providers and other stakeholders, including the examples shown below:

- *"The density of clients is probably around the 75 to 85 [years old] mark, with probably a nice climb from about 60, but there's a real density in that 75 to 85" (community transport provider)*
- *"Mostly elderly and people with disability" (government stakeholder)*
- *"People with a disability and older people would be, I think, two of the most significant user groups" (government stakeholder)*
- *"I think it's a range…of those particularly who have mobility impairments, health impairments and cognitive impairments" (industry stakeholder)*

This was reinforced by feedback from providers at the workshop, where providers described their primary customer groups as the frail, aged and people with impaired mobility and pointed to the typical role of community transport in providing services for people that require care not just a transport service.

[143] Edmonds, S., Tang, A. & Taylor, D. (2011) No Transport No Treatment. Paper presented at the 11th National Rural Health Conference

[144] ACTA (2021) Reabling Mobility: The Role of Community Transport Report

2016 research by Transport for NSW also indicated that, out of 536 community transport customers surveyed, 91% received a pension and 50% had a mobility restriction.[145]

3.3.3 Access to health services

Both in Australia and internationally, community transport is an important part of the provision of access to non-emergency health services, such as GP appointments and many other forms of health services – often as part of, or alongside, other non-emergency patient transport services.[146] [147]

Many of the community transport providers interviewed (as well as participants in the workshop) identified a key role of community transport in providing services to get people to medical appointments. For example:

- *"The bulk of our transport is to take people to medical appointments" (community transport provider)*
- *"It's medical appointments with health professional or Allied Heath. We can also transport people to a pharmacy if they need to pick up a prescription so it's really that like, holistic, what their healthcare needs are, we can transport to that." (community transport provider)*
- *"Community transport is the use of volunteers to assist elderly and disabled people to attend medical health and other appointments." (community transport provider)*

The 2016 research by Transport for NSW showed that 83% of community transport customers surveyed mentioned at least one health-related reason for using community transport services in general.[148] In the same research, 66% of respondents to the survey reported that they most often used community transports services for medical appointments.[149]

[145] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW.

[146] NHS (2021) Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021

[147] ACTA (2020) Position paper - Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding

[148] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW.

[149] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW. (Note: Respondents were asked "What type of trip do you use Community Transport for most often?". The 66% figure includes responses for 'medical appointment', 'medical specialist appointment', 'allied health appointment' and 'medical imaging' and excludes 'optometry' and 'dentist'.)

It has been estimated that across NSW trips for non-emergency medical purposes account for between 23-30% of all community transport trips.[150] [151] An analysis of more recent data for NSW indicates that, in the period from January to June 2021, medical-related trips made up over 40% of all government-subsidised community transport journeys.[152] This may indicate a higher proportion of trips with medical-related purposes that are subsidised by federal or state funding and/or potential increase in medical trips and/or decrease in other types of trip during the pandemic.

People living in rural and remote areas are among those particularly likely to experience challenges in accessing health services.[153] [154] These restrictions can cause a range of problems, including costs to the economy, premature death, disease and strain on the health systems.[155] [156]

For example, for people over 45 years of age living in regional and remote areas, the rate of people reporting not having a GP nearby as a barrier to seeing one is much higher. Compared to those in major cities, people in outer regional areas were 2.5 times more likely to report this as a barrier and 6 times more likely if living in remote and very remote areas (Figure 8).[157]

Limited access to transport options is also a major barrier for Indigenous Australians in accessing healthcare, as well as education, employment, other services and meeting important cultural obligations.[158] [159] For example, 30% of Indigenous Australians adults do not visit a health provider when they need to and 13% of those report the reason as transport/distance.[160]

[150] Battellino, H., & McClain, K. (2011) Community Transport in NSW–Broadening the Horizon. In Australasian Transport Research Forum, Adelaide, 28th-30th September http://www.atrf.info/papers/2011/2011_Battellino_McClain.pdf

[151] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO) (2007) No Transport, No Treatment, p.5

[152] IPPG analysis of Transport for NSW data

[153] Cancer Council NSW, Council of Social Service of NSW (NCOSS), Community Transport Organisation (CTO) (2007) No Transport, No Treatment.

[154] Syed, S. T., Gerber, B. S., & Sharp, L. K. (2013) Traveling towards disease: transportation barriers to health care access. In: Journal of community health, 38(5), 976–993. https://doi.org/10.1007/s10900-013-9681-1

[155] Syed, S. T., Gerber, B. S., & Sharp, L. K. (2013) Traveling towards disease: transportation barriers to health care access. In: Journal of community health, *38*(5), 976–993. https://doi.org/10.1007/s10900-013-9681-1

[156] Nancarrow, S., Bradbury, J., & Avila, C. (2014) Factors associated with non-attendance in a general practice super clinic population in regional Australia: A retrospective cohort study. In: The Australasian medical journal, *7*(8), 323–333. https://doi.org/10.4066/AMJ.2014.2098

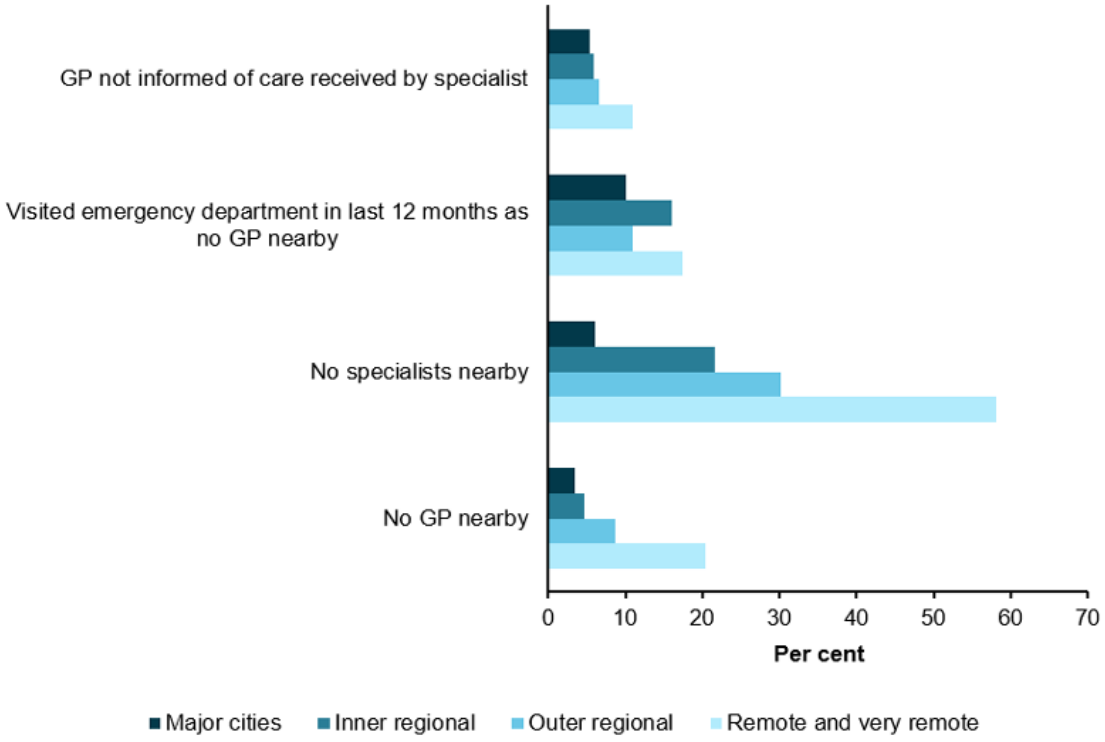
[157] AIHW (2018) Survey of Health Care: selected findings for rural and remote Australians. Cat. no. PHE 220. Canberra: AIHW.

[158] Helps, Y., Moodie, D. & Warman, G. (2010) *Aboriginal People Travelling Well: Community Report*. Melbourne: The Lowitja Institute.

[159] Ivers, R.Q., Hunter, K., Clapham, K., Helps, Y., Senserrick, T., Byrne, J. et al. (2016) *Driver licensing: descriptive epidemiology of a social determinant of Aboriginal and Torres Strait Islander health*. Australian & New Zealand Journal of Public Health 40:377-82

[160] AIHW (2020) 2018–19 National Aboriginal and Torres Strait Islander Health Survey, Table D3.14.14

Figure 8 – Patient experiences in adults aged 45+, by remoteness, 2016 [161]



Source: AIHW Survey of Health Care, 2018

3.3.4 Regional communities

Other providers noted that the profile of customers served can vary substantially according to location and local needs. For example, one workshop participant noted that customers and needs can vary substantially by area, where in some places a service may focus on under-represented Indigenous or other groups while elsewhere services may largely focus on aged care.

Several interviewed stakeholders pointed to the role of community transport in addressing the needs of people in regional areas without access to other transport options. For example: *"Sometimes it's joining those far-out regional communities up with the more metropolitan areas, where their services are" (government stakeholder)*

A 2020 analysis of the Commonwealth Home Support Program (CHSP) for the Department of Health shows that in 2018-19 CHSP-funded transport services were used at higher rates in regional and remote communities compared with major cities.[162]

2016 research by Transport for NSW shows that, in NSW, 38% of community transport customers lived in metro areas, 48% in inner regional areas and 14% in outer

[161] AIHW (2018) Survey of Health Care: selected findings for rural and remote Australians. Cat. no. PHE 220. Canberra: AIHW.

[162] Department of Health (2020) *Commonwealth Home Support Program Data Study: Chart 2.1 Distribution of recommendations by service type and remoteness, 2018-19*, October 2020, p.21

regional/remote areas.[163] This compares with 62% of the broader NSW population who live in metro areas, 16% who live in inner regional areas and 22% who live in regional/remote areas.[164]

This highlights that, at least within NSW, relative to population those that live in inner regional areas are significant users of community transport. This may indicate these communities have a higher reliance on community transport relative to people living in metropolitan and more remote areas. Reasons for this might include having larger populations experiencing transport disadvantage and complex needs compared to remote areas, combined with patchier access to public or alternative transport compared to those living in metropolitan areas. The distribution of supply and availability of community transport services in inner regional compared to other areas could also be a factor.

Qualitative evidence gathered from stakeholders through interviews and the workshop indicates an expectation that the needs of outer urban, regional and remote communities for community transport are particularly likely to grow. For example, workshop participants pointed to factors such as the association between growing demand for community transport services and the growth of new housing in outer urban fringe areas as people are forced to move out from cities for broader social/affordability reasons.

As one community transport provider interviewed stated:

- *"Demand for community transport in the more remote areas I think will actually increase. Because, as the commercial sector, whether it's taxis or public transport, as communities decrease in size, and people move away, and families move – well there's less options left for those people. So, I actually think there'll be – the demand won't necessarily shrink in some of those more isolated communities. It may, in fact, grow." (community transport provider)*

3.3.5 Women

The high proportion of female customers in community transport was highlighted at the workshop held with community transport providers, where some indicated that approximately 70% of customers were female.

This is reinforced by some data available in NSW specifically. 2016 research by Transport for NSW on community transport customers found that, out of 536 people surveyed, four out of five (78%) were female.[165]

[163] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW.

[164] NSW Parliamentary Research Service (2020) *Regional NSW: A demographic and economic snapshot. Briefing Paper No 01/2020.*

[165] Transport for NSW (2016) Community Transport Customer Value Proposition research findings. In: Submission No.82, Tablelands Community Transport. 2016. Access to Transport for Seniors and Disadvantaged People in Rural and Regional NSW.

A study conducted with customers of one not-for-profit provider in Sydney's Northern Beaches, Easylink, also indicates that their customer base is made up of 69% female and 31% male customers (while of the 240 customers who completed the survey, 82% were female and 18% were male).[166]

Given the prominence of older people and people with disability among community transport customers, the higher level of community transport use by women is likely linked to both the higher representation of women in the older population and the noticeably higher prevalence of profound or severe disability in women over 80 years old compared to men.

This was also referenced in interview findings, where one community transport provider suggested that: "as the cohort ages, that the majority of our clients are women, as opposed to men."

In Australia, life expectancy at birth was 81.2 years for males and 85.3 years for females in 2018-20 [167] and 2020 data from the ABS shows that women 85 years old and over comprised 2.6% of the total population while men in the same age bracket represent only 1.6% of the population.[168]

In terms of the prevalence of profound or severe disability, adult women (6.0% of the population) are more likely overall to have a profound or severe disability compared to men (5.5%).[169]

The difference becomes increasingly pronounced for people over 80 years old, where those with a profound or severe disability are significantly more likely to be women. As ABS data from 2018 shows (Figure 9), nearly half (48.6%) of all women aged 85-89 years had a profound or severe disability, compared with 35.6% of men in the same age bracket. For people aged 90 years or over, two-thirds (66.4%) of women had a profound or severe disability compared with less than half (48.9%) of the equivalent male population.[170]

[166] Easylink and The University of Sydney (2017) 'Enduring focus, lasting impact': An Evaluation of Customer and Volunteer Feedback. Dee Why, Australia.

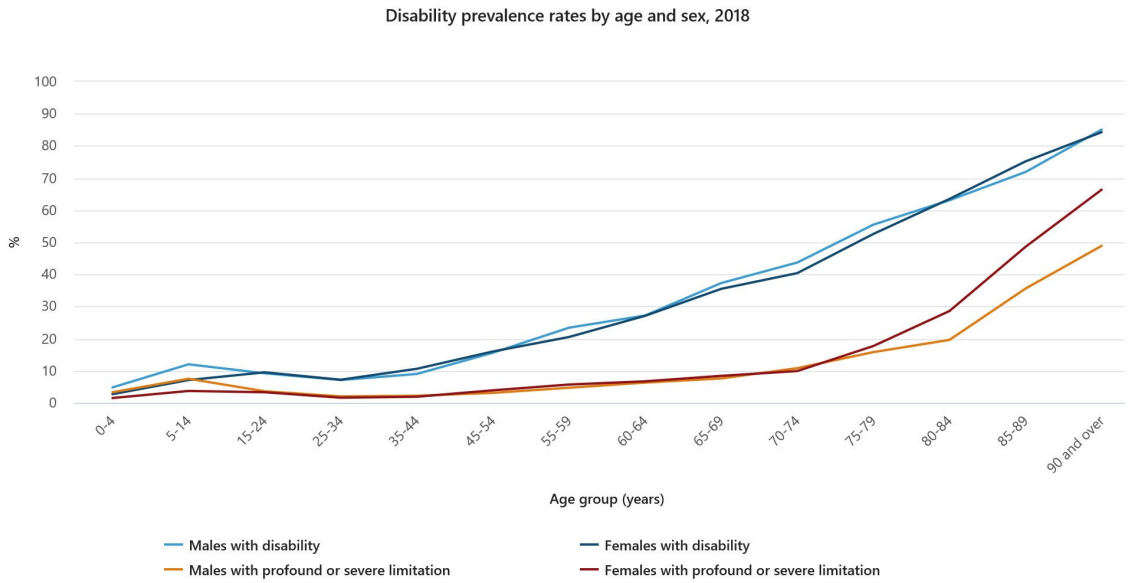
[167] ABS (2021) *Life Tables* https://www.abs.gov.au/statistics/people/population/life-tables/2018-2020 [Accessed 20 November 2021]

[168] ABS (2021) *Regional population by age and sex* https://www.abs.gov.au/statistics/people/population/regional-population-age-and-sex/2020 [Accessed 20 November 2021]

[169] ABS (2019) Disability, ageing and carers, Australia: summary of findings, 2018. ABS cat no. 4430.0. Canberra: ABS. https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0

[170] Ibid.

Figure 9 – Disability prevalence rates by age and gender, 2018 [171]



Source: ABS (2018) Disability, Ageing and Carers, Australia: Summary of Findings

3.4 Provision of community transport services

3.4.1 Overview

In addition to serving diverse customers, community transport providers are both numerous and heterogenous in their size, scale of operations and types of service provided, as well as in their organisation types and business models.

ACTA, a national peak body for the community transport sector, estimates that the providers they represent (which it should be noted does not include every provider) deliver around 5.5 million trips to 238,000 customers annually, totaling over 95 million kilometres of travel.[172] Most of these providers are community not-for-profit organisations, which collectively have around 2,200 paid staff and around 8,000 volunteers (most of whom are drivers) who provide 2.4 million hours of service.

Overall, no consistent or reliable evidence exists on the current number of providers. Evidence suggests there are well over 300 providers nationally, though in some jurisdictions there is no reliable evidence on numbers.

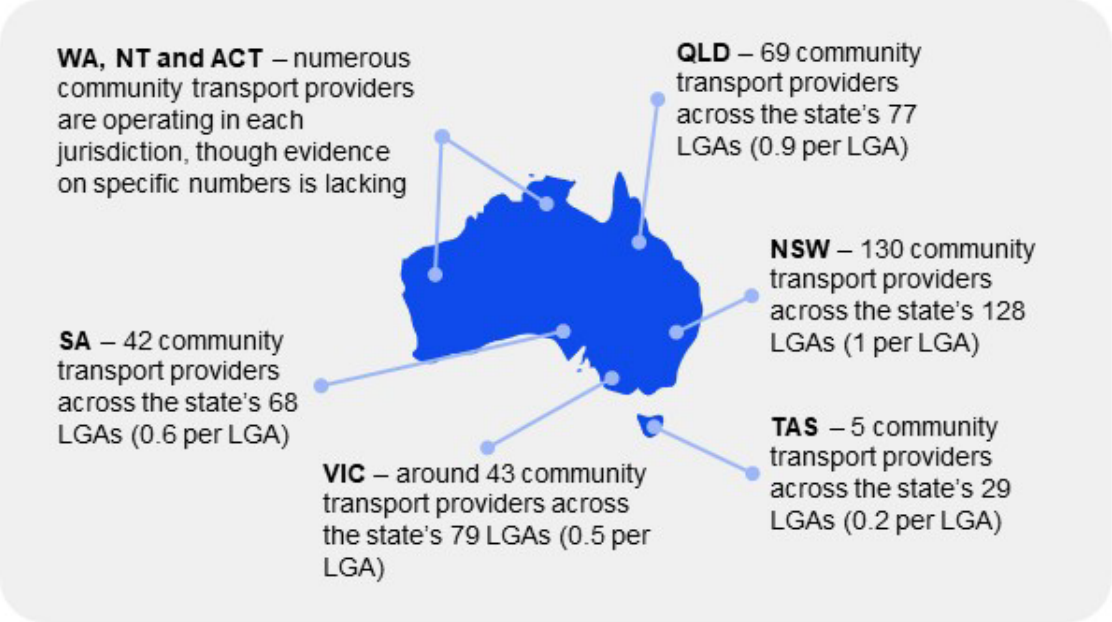
A specific number will be challenging to pin down as it will be subject to varying definitions of community transport. It is also likely the numbers identified exclude many community transport or equivalent organisations who are not captured in the evidence

[171] Ibid.

[172] Australian Community Transport Association (2020) Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding (ACTA Position Paper)

identified for one reason or another. For example, some services that are council-run or may not receive government grants may be excluded from some evidence sources (and in the latter case variations between jurisdictions may be linked to jurisdictional variations in grant funding).

Figure 10 – Australian CT provider landscape [173] [174] [175] [176]



3.4.2 Scale of operations

Community transport providers vary in size and scale of operation. Based on interviews with 15 community transport providers from across Australia:

- Most were found to operate over quite large geographical areas. However, areas of operation varied significantly in scale between an area within a city, an entire city region or state-wide. Some providers operated in multiple states and across borders.
- Fleet sizes ranged from 18 to 167 vehicles (although there are known examples of providers that may only operate a single vehicle)

[173] Queensland Government (2021) Community Transport Program. Available at: https://www.qld.gov.au/community/getting-support-health-social-issue/community-home-care-services/community-transport-program. Accessed 15 December 2021

[174] Transport for NSW (2021) Community transport operators. Available at: https://www.transport.nsw.gov.au/operations/community-transport-operators. Accessed 15 December 2021

[175] SAcommunity (2021) Community Transport. Available at: https://sacommunity.org/az/14715-Community_Transport. Accessed 15 December 2021

[176] VICTAS Community Transport Association (2021) Local Directory of Community Transport Services Victoria. Available at: https://vtcta.org.au/ct-services-contacts/victoria/. Accessed 15 December 2021

- Fleet compositions vary widely, and may include buses of various sizes, mini-vans, and sedans owned by the provider, or include volunteers driving their own private vehicles
- Numbers of paid employees ranged from 16 to 300 (though other evidence also suggests some services will have smaller numbers of paid staff).
- The approximate number of trips delivered each year by those interviewed ranged from 50,000 to 225,000 (though again there are known to be smaller providers that deliver fewer trips).

Other evidence can be found in a 2018 small-scale study of five community transport providers with operations across NSW and QLD found the number of trips they delivered annually varied from 58,000 to 260,000. The staffing also varied, with one provider having 20 paid staff and 100 volunteers, another with 120 paid staff and 300 volunteers, and one with only 77 paid staff and no volunteers. The size of fleets managed by these organisations ranged from 20 to 50 vehicles.[177]

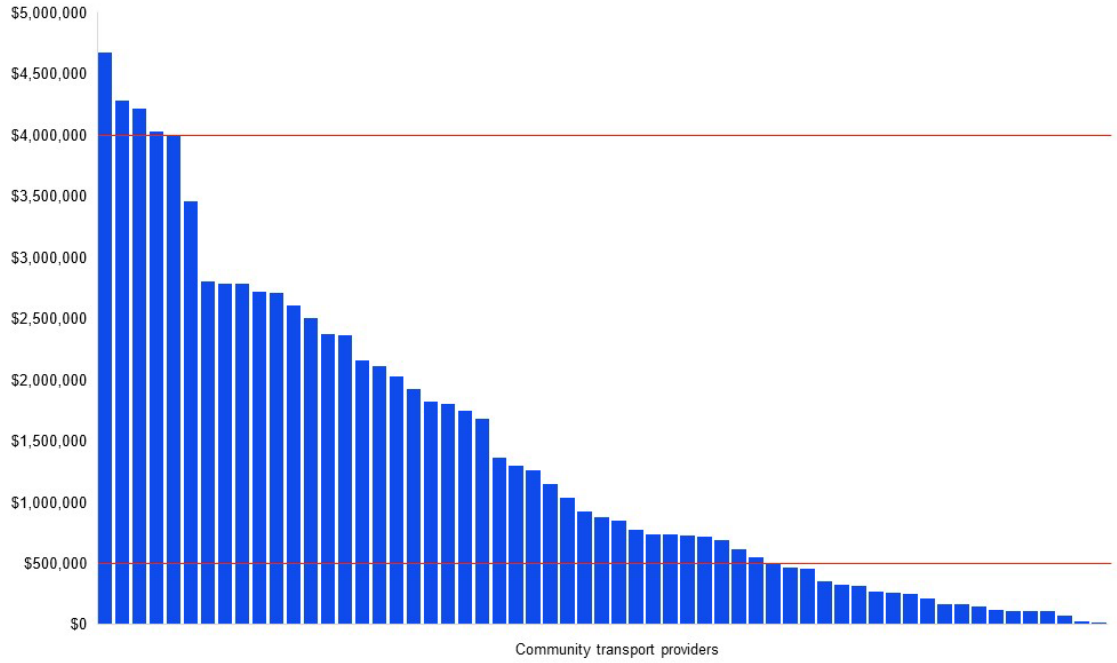
An analysis of government grant funding awarded to community transport organisations in NSW in 2019-20 also provides some indication of the variations in scale among community transport providers in one state (Figure 11). For example, this analysis showed that, of 58 providers that received Commonwealth and/or NSW Government grant funding in 2019-20:

- 6 community transport providers in NSW received over $3 million in funding in total
- The top 5 providers each received approximately $4 million or more, and combined these providers received over $21 million – which represented 25.7% of federal and state government grant funding awarded
- In contrast, over a third of providers that received funding (20) received less than $500k in funding.[178]

[177] Mulley, C., Nelson, J.D., Wright, S. (2018) Community transport meets mobility as a service: On the road to a new a flexible future. Research in Transportation Economics. 69, 583-591. https://doi.org/10.1016/j.retrec.2018.02.004

[178] IPPG analysis. Based on data from Transport for NSW (2020), *Transport for New South Wales: Annual Report 2019-20,* p. 145 - 152

Figure 11 – Grant funding to community transport providers, NSW, 2019-20 [179]



Source: IPPG. Based on Transport for NSW Annual Report 2019-20 data

3.4.3 Operating models

The varied nature of community transport providers also applies to their operating models, which can span community-led not-for-profit, private or government (e.g., local council) run. They may be single purpose, multi-service, or may be run under the auspices of a larger organization (e.g., associated with a major hospital).

Reflecting the varying definitions and perceptions that exist around what community transport is, stakeholders interviewed had differing perspectives on what models of service might be considered as community transport. For some, it is a form of public transport, while for others it represents a very broad range of transport and mobility services:

- *"[Community transport] can be that any form of transport, I suppose. It doesn't matter if it's public or private. But it enables people to move around in the community and to participate and have a meaningful life… So, it's a full range" (Government stakeholder)*
- *"Community transport is for me transport that the community would need to access. It's not just public transport, but it's on-demand such as Uber and taxies and would also include the use of their own personal transport […] for people with disabilities may be modified vehicles" (community transport provider)*

While for some providing community transport services may be the sole purpose of their organisation, for others this may be just one of many services that they offer.

[179] IPPG analysis. Based on data from Transport for NSW (2020), *Transport for New South Wales: Annual Report 2019-20,* p. 145 - 152

Some providers may be funded solely for providing transport services, while others may offer a wide variety of services that include transport. For example, a disability not-for-profit may provide transport as one of a suite of support services, even if they do not receive specific funding for transport.

As one interviewed provider described: "'We have 83 different service areas running. Those services range from services in youth, family, counselling services. We also do financial support services…. Our work is mainly focused on supporting communities to create resilience, so that they can keep developing and growing."

A 2014 national review considered community transport as a particular model of delivery associated with the Australian Government's aged care program(s), but also identified a range of models of community transport or equivalent service that existed at the time, including the examples below – although there are others that also exist:

- Specialist community transport providers
- Organisations that provide transport alongside a range of other services (e.g., as part of a suite of aged care and/or disability support services)
- State-wide single provider models
- State government-brokered arrangements with a network of providers
- Subsidised public transport schemes
- Local government transport schemes
- Taxi or other forms of travel subsidy scheme Transport provided by community organisations (e.g., clubs)
- The COAG Closing the Gap transport scheme. [180]

3.4.4 Costs of delivering services

There is little clarity, evidence or data available about the specific costs of delivering community transport services. Previous research has indicated that community transport providers may also have varying levels of understanding about the costs of delivery, and that larger providers with greater scale and/or those with access to technology may have a more detailed grasp on costs.[181]

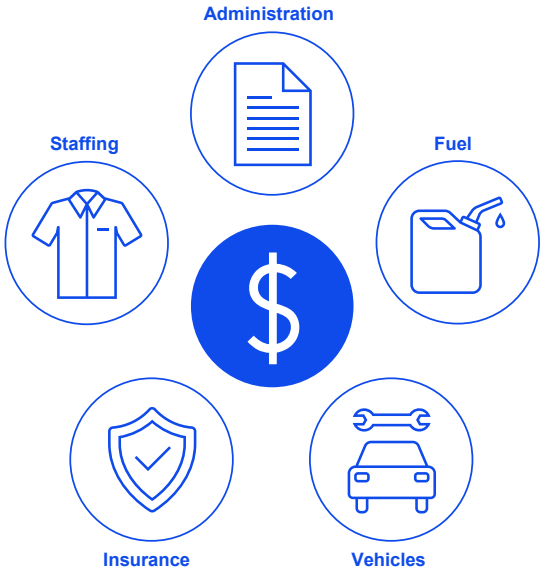
Based on a survey of providers, the 2014 HACC community transport review quoted estimated average costs of providing a one-way a trip of 0-10km as $22.78 and a 10-

[180] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.iv

[181] Mulley, C., Nelson, J.D. & Wright, S. (2018) Community transport meets mobility as a service: On the road to a new a flexible future, Research in Transportation Economics, Volume 69, 2018, Pages 583-591, ISSN 0739-8859, https://doi.org/10.1016/j.retrec.2018.02.004

20km trip as $31.64, and also identified the five most significant areas of cost for providers as: staffing, vehicles, fuel, administration and insurance (Figure 12).[182]

Figure 12 – Top five cost elements of community transport service provision [183]



These were largely reinforced by providers engaged through interviews and the workshop. Vehicle costs were highlighted by many as one of the most significant cost elements, including the purchase or lease of vehicles, vehicle maintenance and depot lease, while others also cited the high costs associated with vehicles fitted with special accessibility features.

Similarly, providers echoed previous findings around staffing as a key cost, and several made specific reference to the significant training burden for staff and the need for this to cover both significant care and support requirements as well as transport/driving.

The high costs of administration and compliance were also identified, with reference made to the extensive regulatory and reporting requirements that applied to community transport organisations.

One additional area of cost identified by interviewed providers was costs associated with 'technology', although the specific nature or source of these costs was not discussed. Another broader comment emerging from the workshop with providers highlighted the fact that community transport, in operating heavily within the aged and disability sectors, carry a high level of risk, the costs of which (including compliance with strict standards as well as significant training requirements) are borne by the sector but not necessarily recognised.

[182] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.31-32

[183] Ibid.

The costs of delivering services can also vary substantially between providers and between trips. For example, costs might vary in providing community transport services in metropolitan, rural and remote areas. [184] Costs can also vary significantly according to the specific customer; some may have high-care needs and need additional care and support, others may require a vehicle with specific modifications to travel or may take longer to transport or assist. [185]

Overall, as Mulley and Nelson (2012) state: "CT [community transport] is not 'cheap transport'; in fact, CT will often have a higher unit cost than conventional routed services." [186]

This was supported by findings from engagement with providers, who noted that community transport services are subject to higher care and support expectations compared to other forms of transport, which could be difficult and expensive to meet. This may be especially the case for providers using paid staff rather than volunteers.

Overall, respondents often commented on the financial pressures arising from the interplay between compliance expenses, limited funding and high running costs.

Although the costs of providing assisted transport may vary significantly between customers with different needs, these variations are often not reflected in customer contributions to the cost of the service. For some grant-funded services this is guided by government requirements around a "hardship waiver and the rule of thumb that [providers] should recover from the client at least 15% of the true trip cost." [187]

However, while fees charged to customers may vary between providers and jurisdictions, and the extent to which costs are passed on to customers is typically at the discretion of the provider, the importance of providing equitable access and the fact that many customers may have limited ability to pay limits the extent to which providers are able to cover the costs of service provision in some circumstances. [188]

Several providers emphasised a trade-off that meant reducing costs of service (and also fees for customers) could only be achieved by sacrificing other features seen as core to community transport, such as personalised care and support.

[184] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.31-32

[185] Mulley, C., Nelson, J.D. & Wright, S. (2018) Community transport meets mobility as a service: On the road to a new a flexible future, Research in Transportation Economics, Volume 69, 2018, Pages 583-591, ISSN 0739-8859, https://doi.org/10.1016/j.retrec.2018.02.004

[186] Mulley, C. & Nelson, J. (2012) Recent Developments in Community Transport Provision: Comparative Experience from Britain and Australia, p.1824. In: Procedia - Social and Behavioral Sciences, Volume 48, 2012, Pages 1815-1825, ISSN 1877-0428, https://doi.org/10.1016/j.sbspro.2012.06.1156.

[187] Australian Community Transport Association (2020) *Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding,* February 2020 p.3

[188] Ibid.

3.4.5 Role of volunteers in CT

ACTA report that the organisations they represent have 8,000 volunteers (compared to 2,200 paid staff), most of whom are drivers. In their aged care position paper, ACTA draw on the example of 1 large provider, which, in the year 2018-19 had a total of 400+ volunteers which provided 170,000 trips, giving 110,000 hours of service.[189]

The same ACTA report cites the ABS estimated monetary value of volunteer labour at a notional base rate of $41.72 per hour and states that volunteers provided 2.4 million hours of service a year.[190] Based on these figures, the organisations represented by ACTA alone provides a simple conservative approximation of the financial value of community transport of over $100 million.

A previous (2014) national review of community transport also highlighted that the "extensive use of volunteers in community transport, across all jurisdictions, is a major feature of the current service system". The review estimated that, based on survey responses from 793 organisations, there were 9,819 volunteer staff and drivers in the community transport sector that made up 61% of the workforce involved in delivering community transport under the HACC Program. [191]

Evidence from community transport providers engaged in the research reinforce the significant role of volunteers in delivery.

Participants in the workshop referred to being "heavily dependent on volunteers" and that, while it was a challenge to recruit volunteers, most services are delivered by volunteers. Others noted the value of volunteers in providing a cost-effective solution over paid support workers or compared to needing to use social or health workers to provide transport.

Interviewed stakeholders also commented on the role and impact of volunteers, finding that volunteers are highly valued within the sector as essential to the viable provision of services to the community (Table 6).

As highlighted earlier in section 3.2, many interviewees saw volunteers as a defining aspect of community transport. Some respondents also commented on the mutually beneficial relationship of volunteering, stating that volunteers themselves see improved mental health and reduced social isolation when they volunteer.

[189] Australian Community Transport Association (2020) *Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding.* (ACTA Position Paper).

[190] Ibid.

[191] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.40-41

Table 6 – Role and impact of volunteers in CT

They are *a defining characteristic of CT*	They allow many *providers to operate*	They are *cost-saving* for providers	They *benefit from giving back to the community*
*"I believe the **true definition** of community transport is the use of volunteers to assist elderly and disabled people" (CT stakeholder)*	*"We've got 150 volunteers that volunteer their time, and **by them volunteering their time and services, we can deliver**" (CT stakeholder)*	*"if you're moving into a paid driver environment, then your cost of transport is going to be higher, because obviously **if you're using a volunteer workforce, then you don't have those wages costs**." (CT stakeholder)*	*"we've had like a lot of benefits from the volunteers, just you know, in **the sense of purpose that it gives them in connection with their community and the relationships they've built** within the program and outside of that as well" (Government stakeholder)*
*"I think the **true word** of community transport is really the use of volunteer drivers" (CT stakeholder)*	*"without those 150 volunteers, **we wouldn't be able to deliver all our trips**" (CT stakeholder)*	*"A lot of community transport providers… see themselves as a sub-contractor… but **to be able to afford that a lot of them have the benefit of that volunteer pool**" (CT stakeholder)*	"volunteering is also another way to **reduce the vulnerability of social isolation**" (CT stakeholder)
"Community transport is generally volunteer driven" (Government stakeholder)	*"We have a fleet of seven vehicles and we have **60 volunteer drivers who use their own vehicles**" (CT stakeholder)*	*"A lot of the other services… have a big pool of volunteers. So**, their costs are obviously reduced** and that's how they can provide the services" (CT stakeholder)*	*"I think for our volunteers, it's definitely something that **contributes towards their mental health** as well. That sense of giving back a sense of community, and for them it's really rewarding, being able to help people" (CT stakeholder)*
*"Our one difference between our patient transport service and our community transport service is that **our volunteer drivers are the main distinguishing part**" (CT stakeholder)*	*"We **rely mainly on volunteers** for our driving" (CT stakeholder)*		*"**some of our service users have actually come on as volunteers when they've recovered**… they've come back and then [asked] what are the services? How can we help you? What can we do? Because they felt it was so good." (CT stakeholder)*

Source: IPPG

3.4.6 Impacts of the COVID-19 pandemic

The community transport sector has not been immune from the impacts of COVID-19, and in some respects may have been impacted more significantly due to its frontline role in community care, the high proportion of higher-risk segments of the population it serves as well as the high reliance of some providers on volunteers.

Several thematic areas emerged on the impacts of the pandemic from the community transport providers interviewed, in particular:

- The introduction of health and safety measures and restrictions on movement
- The pivot made by some providers to maintain engagement and social connections for their customers when not able to provide transport services
- Impacts on staffing and the volunteer base, and
- Increased financial pressures and risks.

Additional health and safety measures under Covid have impacted on the capacity of providers to meet transport and mobility needs, while some have also found alternative ways to continue engaging with and supporting their customers:

- *"With restrictions in place, they're not able to utilise community transport, unless they have an essential visit or an essential service they need to access."*
- *"People are advised if they're over 70 to stay at home."*

Many community transport providers have also been a vital connection in the community to vulnerable and isolated individuals during lockdown, many of whom may have had no one else to turn to. Some providers interviewed identified changes they had made to the services they provide to continue to support vulnerable or isolated members of the community under Covid restrictions:

- *"We've pivoted to more of a — so we provide an online shopping service now. We provide connection calls. So, we still provide that social element."*
- *"Where we might not have been providing transport, we've been engaging with our customers. So, we've been running colouring in competitions, or we've been delivering care packages, or we've been making care phone calls. So, it's that engagement with your customers."*

Community transport organisations that rely heavily on volunteers have faced significant impacts around staffing, and particularly volunteers, making it challenging to maintain services through the pandemic:

- *"We've downsized because of COVID."*
- *"The sector has lost a huge amount of their volunteers through COVID, and a lot of those people potentially won't never come back."*
- *"A massive barrier right now is volunteers. So, I need about 60 to 80 volunteers to deliver, comfortably, the service. At the start of COVID it dropped to 60. We are recruiting and I have 25 drivers at the moment and sometimes I've even been down to 12 during the pandemic, because they are hibernating too… A lot of my drivers are driving clients the same age, between 55 and 70 is my driver volunteer pool. And in times of COVID, they*

don't want to be out there any more than anyone else does, and then so trying to attract new drivers into the market is proving to be very difficult."

Reduced passenger numbers and revenues, rising costs and the inability to qualify for and access government financial support packages have put pressure on finances for many providers. Some providers also fear that an inability to deliver services required under contracts due to COVID impacts will mean they might be forced to return government funding:

- *"Before COVID hit, we were producing almost 700 trips a week with a client base of 1,124 clients… At the moment and this is a big indicator of the impact of COVID, I've got about 706 clients and I'm probably averaging maybe 150 trips a week."*
- *"Pre-COVID, we were doing about 65,000-70,000 trips a year so whatever that works out on a weekly basis, 1200-1400."*
- *"It would be a decrease of around 75%, perhaps 80% even. I mean, to the point where day programs have shut down, residential age care facilities have shut down."*
- *"There's a clause in our current contract which came into effect on the first of January, which requires us to pay back 85% of the funds if we don't meet our true KPIs; that's an absolute in our contract… And if we lose 85% of our funding, because we can't deliver trips, which we're all doing – we're all down about 70 to 80% – is the minute where we have to sort of move to dissolve the organisation, because you can't trade insolvent, as an organisation."*

3.5 Funding

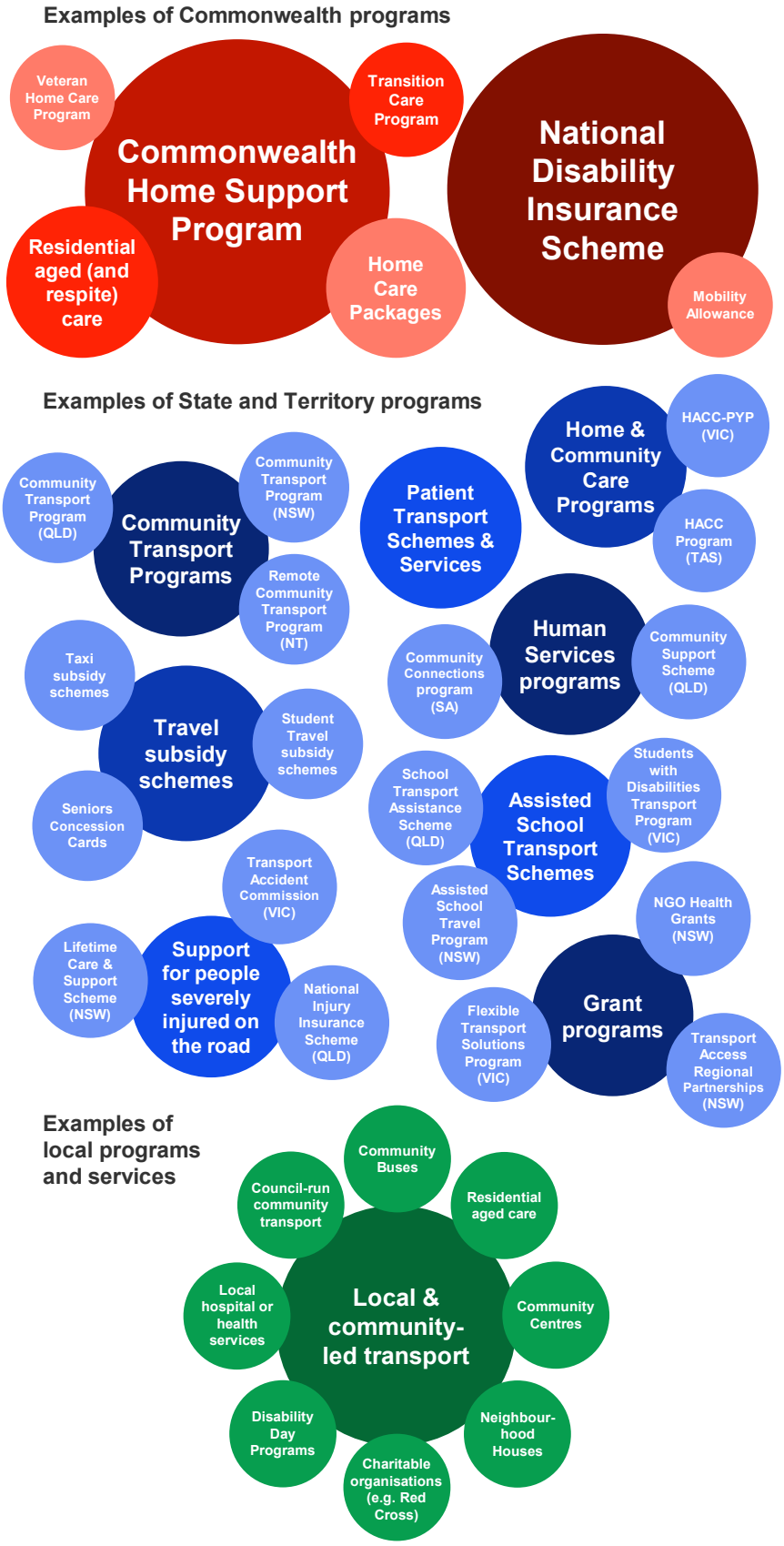
3.5.1 Addressing transport disadvantage

The complexity of transport disadvantage and its impacts in creating barriers to employment, healthcare, education, recreation and social inclusion, for example, have resulted in a wide variety of policy and funding responses that seek to address barriers to access for specific user cohorts, user needs and/or services across transport, aged care, disability, health, education and at the local / community level.

Figure 13 below highlights some examples of different types of funding program or service at national, state and territory, and local levels that either focus on or include the provision of transport support.

These are purely illustrative examples to show the diversity of the landscape and are by no means an exhaustive overview of existing measures to overcome transport disadvantage. There is also limited publicly available data on the level of funding or support that each may provide for transport (and there is no significance attached to the size of the circles). Many of these programs and services also intersect; for example, some local services may receive part of their funding from Commonwealth or State funding programs.

Figure 13 – Examples of diverse programs providing transport assistance



Source: IPPG.

In this context, given the variety of siloed programs, the diversity of the community transport sector and the position it occupies at the intersection of multiple policy domains, the landscape of funding available for community transport mirrors this complexity. It is predominantly characterised by:

- **Australian Government funding programs.** Primarily major national programs for aged care and disability (including the Commonwealth Home Support Program and the National Disability Insurance Scheme). These programs are subject to strict eligibility requirements and provide a mix of block funding to providers (via contracted service-level grant agreements) and individual person-centred funding.
- **State and Territory government programs.** Vary between jurisdictions and across policy portfolios, but include transport, health and human services programs. These can include recurrent and non-recurrent grant funding programs, transport subsidies for different types of service or customer group, as well as indirect funding of transport via programs for other services.
- **Other diverse local and community programs and initiatives.** These can include local programs or services provided by councils, local services, charitable organisations or community-led initiatives that may, for example, focus specifically on transport needs or offer transport as one of many community needs.

3.5.2 Australian Government funding programs

Aged care

The Australian Department of Health provides significant funding for aged care services through My Aged Care, which totalled $21.2 billion in 2019-20.[192]

This funding primarily supports three key areas of aged care support: [193]

- Residential care – which makes up the bulk of the funding, providing $13.4 billion funding towards accommodation and care for 244,363 people in full-time care in aged care facilities
- The Commonwealth Home Support Programme (CHSP) – providing $2.6 billion for service delivery to 839,373 people in 2019-20. The program provides entry-level in-home support, which can include ongoing or short-term care and support services such as help with housework, personal care, meals and food preparation, transport, shopping, allied health, social support and planned respite
- The Home Care Packages Program (HCP) – providing $3.4 billion for 173,743 people with more complex needs to support them to remain living at home through a coordinated package of care and services to meet individual needs

There are also additional targeted care programs such as the Transition Care Programme, which provides short-term support for older people to transition out of

[192] Australian Institute of Health and Welfare (2021) *Spending on aged care, 2019-20:* https://www.gen-agedcaredata.gov.au/Topics/Spending-on-aged-care [Retrieved 21 November 2021]

[193] Aged Care Financing Authority (2021) *Annual Report on the Funding and Financing of the Aged Care Sector – 2021*

hospital care and back into independent living, as well as veterans programs such as the Veteran Home Care program, which offers low-level supports to veterans to enable them to live independently.

The single largest source of transport service funding is as a distinct service type under the CHSP. [194] Annual CHSP and HCP funding is estimated to contribute 60-70% of transport revenues among ACTA members.[195]

CHSP and HCP transport services can be used by eligible customers to support "their usual activities" such as travelling to medical appointments, community events and "enabling them to keep active and socially engaged".[196] Transport services are also supported through line items for assisted and non-assisted services, group and individual services, as well as the transport of carers accompanying clients.

Across Australia $181.7 million was invested in CHSP-subsidised transport in 2019-20, accounting for 6.9% of the total $2.6 billion expended on CHSP-subsidised services.[197] Funding for transport dropped between 2018-19 and 2019-20, both as a total figure and as a proportion of total CHSP service expenditure, from $184.3 million (7.4%) to $181.7million (6.9%).[198]

While CHSP services are primarily funded by government grants, customers are expected to provide a client contribution in exchange for the provision of certain services, including transport. The amount customers are required to contribute is independently determined by individual service providers, who are required to consider the means of the customers they are servicing and provide accommodations for those who may not be able to afford contributions,[199] with reference to the Department of Health's *Client Contribution Framework* that seeks to ensure that "clients who can afford to contribute towards the cost of their care do so, while protecting those most vulnerable".[200]

CHSP funding of transport services varies between jurisdictions. While most are broadly comparable, as Figure 14 shows there are particularly high rates of funding under the program in the Northern Territory and very low rates of funding in Victoria.

[194] Australian Department of Health (2020) *Commonwealth Home Support Programme: Program Manual 2020-2022* p.24

[195] ACTA (2021) Reabling Mobility: The Role of Community Transport Report

[196] Australian Department of Health (2020) *Commonwealth Home Support Programme: Program Manual 2020-2022* p.45

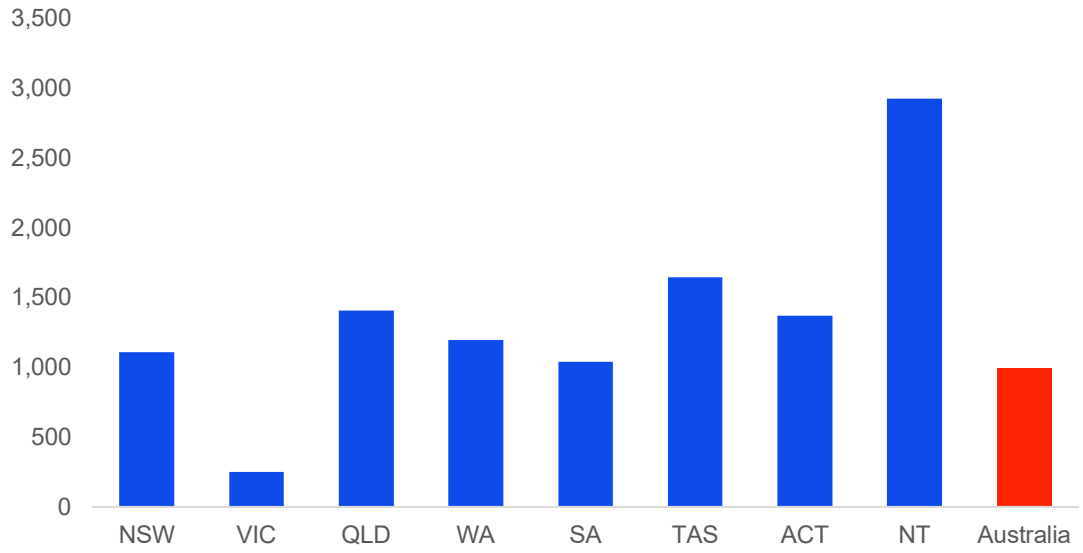
[197] Aged Care Financing Authority (2021) *Annual Report on the Funding and Financing of the Aged Care Sector – 2021* p.37 - 38

[198] Ibid.

[199] Australian Department of Health (2015) *National Guide to the CHSP Client Contribution Framework,* October 2015 p.6

[200] Ibid.

Figure 14 – CHSP transport services received per 1000 people aged 65 years or over (and Aboriginal and Torres Strait Islander people aged 50–64 years), 2019-20 [201]



Source: IPPG. Based on Australian Department of Health Aged Care Services data (Table 14A.23)

National Disability Insurance Scheme (NDIS)

The Australian Government primarily provides support for around 500,000 people with disability in Australia through the National Disability Insurance Scheme (NDIS), with financial support from state and territory governments, including providing support for transport services (although there are also several smaller programs that provide some funding for transport, including the Disability Support for Older Australians program and other programs administered by the Department of Veteran's Affairs).[202]

The NDIS is a national insurance scheme designed to provide individuals with permanent and severe disability the funding they need to "purchase supports and services they need to live and enjoy their life".[203] The program provides customers with a personalised plan comprised of funding for supports which are deemed "reasonable and necessary" based on a selection of criteria (e.g., the support must be related to the recipient's disability and help the recipient pursue their "goals and aspirations").[204]

[201] Australian Government Department of Health Aged Care Services data warehouse. https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2020/September/Report-on-Government-services [Accessed 21 November 2021]

[202] Australian Department of Health (2021) *Commonwealth Disability Support for Older Australian (DSOA) Program: Program Manual Version 5,* September 2021 p.20

[203] National Disability Insurance Agency (2021) *Understanding the NDIS: Booklet 1,* p. 1-2

[204] National Disability Insurance Scheme (2021) *Creating Your Plan,* April 2021, p.2

To be eligible for the NDIS, a prospective customer must be under the age of 65 and live with a disability that "is likely to be lifelong and has a substantial impact on [their] ability to complete everyday activities".[205]

The NDIS is based on a person centred-funding model that provides each customer with a defined budget for use to "purchase services and supports from a competitive and consumer-driven marketplace."[206] NDIS customers can elect to self-manage their NDIS Plan: finding providers, negotiating prices, and paying for their selected services independently. They can also opt for their plan to be managed by the National Disability Insurance Agency (NDIA) or a registered plan manager, who can administer those processes on their behalf.[207]

NDIS funding for transport services is provided under three different support types:

- General Transport – a Core Support which "allows a participant to pay a provider to transport them to an activity that is not itself a support." [208]
- Specialised Transport – a Core Support which "provides for specialised transport services for a participant to a school, educational facility, employment, or the community." [209]
- Activity Based Transport – a subsidiary support, whose costs can be claimed in association with another support service (e.g., Participation in Community, Social and Civic activities).[210]

Nationally, $700m in total payments were made for 'core' NDIS transport services in the 12 months to September 2021, accounting for 2.9% of the total $24.4 billion in total NDIS support payments made over this period.[211] Within each Australian jurisdiction, the total payments for core transport services, as well as the proportion of total NDIS payments made up by transport service payments, varies (as shown in Figure 15).

[205] National Disability Insurance Agency (2021) *Understanding the NDIS: Booklet 1,* p.1

[206] National Disability Insurance Agency (2021) *Creating Your Plan,* April 2021, p.1

[207] National Disability Insurance Agency (2021) *Creating Your Plan,* April 2021, p.18-19.

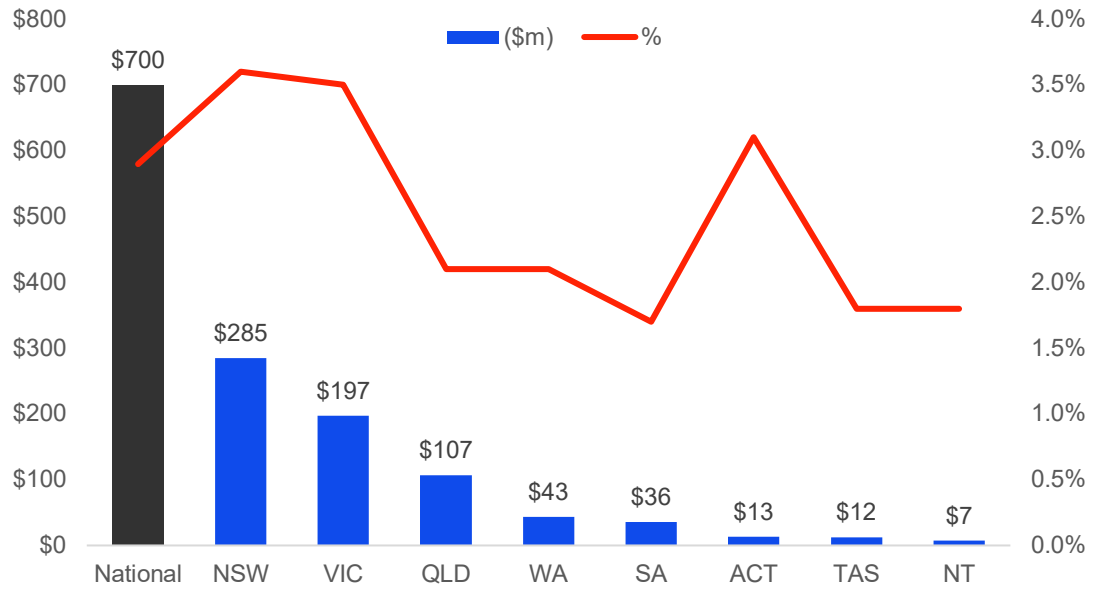
[208] National Disability Insurance Scheme (2021) *NDIS Pricing Arrangements and Price Limits 2021-22 Version 2.1,* p.56

[209] Ibid.

[210] National Disability Insurance Scheme (2021) *NDIS Pricing Arrangements and Price Limits 2021-22 Version 2.1,* p.8

[211] National Disability Insurance Agency (2021) *NDIS Quarterly Report to Disability Ministers: September 2021 - Appendices, Figure E.48*

Figure 15 – Total NDIS payments for core transport services for the year ending 30 September 2021 ($m and as a % of total NDIS payments)



Source: IPPG. Based on data from NDIS Quarterly Report to Disability Ministers: September 2021 - Appendices

The provision of activity-based transport was included in the NDIS in March 2020 as part of broader efforts to improve the NDIS's provision of transport supports and reduce the reliance of NDIS customers on state-based taxi subsidy schemes for their travel.[212] These efforts have also thus far resulted in the NDIS assuming the costs of providing state taxi subsidy schemes to NDIS customers, as well as the December 2020 provision of an automatic increase to transport supports for NDIS customers "with very high out-of-pocket taxi costs or complex needs", based on taxi subsidy scheme data provided by states.[213]

3.5.3 State and Territory Government funding programs

State and Territory governments have a variety of programs that may fund community transport or equivalent services. Primarily these are health or transport-related programs, although some have also established or maintain residual programs aimed at supporting older people or individuals with disability.

Relevant State and Territory programs can be broadly categorised as:

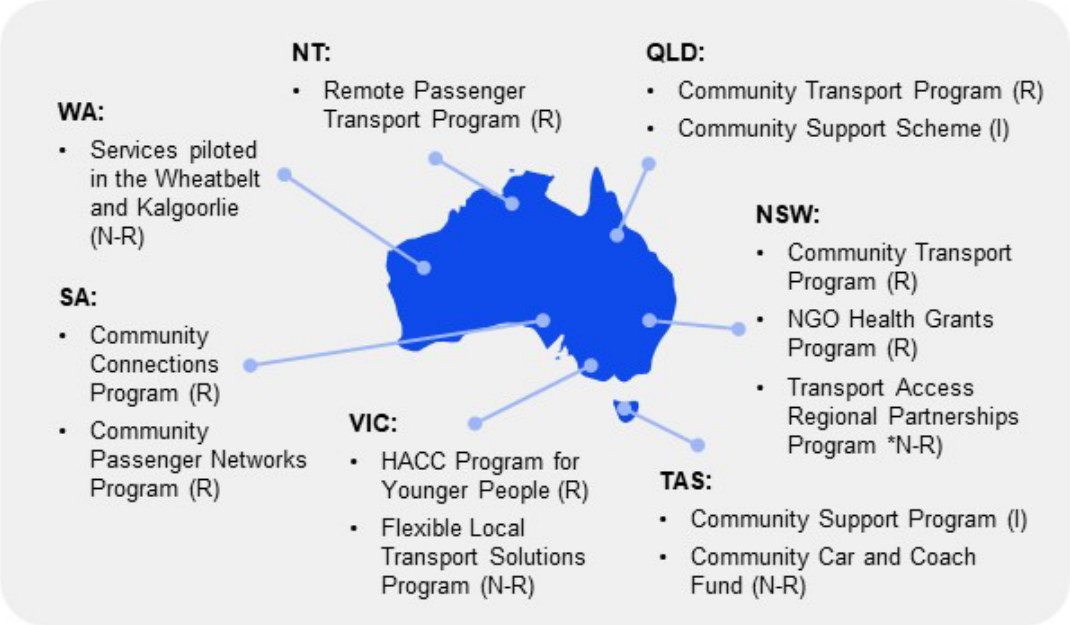
[212] National Disability Insurance Scheme (2020), *Delivering the NDIS plan: Flexibility in transport funding for NDIS participants,* 3 February 2020, https://www.ndis.gov.au/news/4318-delivering-ndis-plan-flexibility-transport-funding-ndis-participants

[213] National Disability Insurance Scheme (2020) *Changes to transport supports,* 7 December 2020 https://www.ndis.gov.au/news/5732-changes-transport-supports

- Recurring grant schemes (R) which aim to provide ongoing services to particular user groups.
- Non-recurrent grant schemes (N-R) which have provide one-off or pilot services, or which aim to provide organisations capital support to purchase vehicles or "seed" local transport networks.
- Indirect funding (I): for example, funding provided to support the operation of Community Centres and Neighbourhood Houses, which may then elect to provide community transport services.

An overview of relevant programs is provided at Figure 16 below.

Figure 16 – Examples of funding programs across states and territories



Transport programs

Two states (NSW and QLD) have established a dedicated Community Transport Program (CTP), with broad eligibility criteria and policy objectives to "promote social inclusion" and "more equitable community participation",[214] [215] and which aim to extend access to community transport for individuals that do not meet the eligibility criteria for national CHSP or NDIS programs.[216]

In NSW, the CTP was the second-largest source of federal and state government grant funding for community transport (behind the CHSP) in 2019-20, providing nearly $11

[214] Transport for NSW (2017) *Community Transport Program Services Schedule,* p.1

[215] Queensland Department of Communities, Housing and Digital Economy (2021) *Community Transport Program Guideline DCHDE Version 1.0,* July 2021, p. 4

[216] Queensland Department of Communities, Housing and Digital Economy (2021) *Community Transport Program Guideline DCHDE Version 1.0,* July 2021, p. 6

million in funding to 54 providers and accounting for 13% of government grant funding that year.[217]

Both CTP programs are accessed via individual self-referral directly to funded providers, who must then undertake their own assessment process to determine the prospective customer's eligibility.[218]

Both the NSW and QLD CTPs are subsidy programs which expect customers to contribute to the cost of services, where possible. Providers from both programs are required to establish their own fare schedules, though it is expected that eligible customers are "not refused a service based on inability to pay." [219] [220]

All states and territories also currently fund varying taxi subsidy scheme programs to support the travel needs of individuals experiencing transport disadvantage, such as those with permanent and severe disability. However, subsidised taxi services (as with other taxi or public transport services) are not always equipped to cater for people with complex mobility needs and those that require assistance to travel. The NDIS has begun assuming some of the costs of these programs and efforts are being made to reduce reliance on them by NDIS customers.[221]

Some states additionally provide subsidy programs to support travel in regional areas for other community-focused purposes. For example, NSW has recently introduced a $250 Regional Seniors Travel Card for older persons and veterans in regional areas to reduce costs-incurred on regional public transport services, taxi trips and fuel.[222] Western Australia similarly provides $575 *Country Age Pension Fuel Card* to subsidise regional fuel and taxi costs, as well as the *Regional Athlete Travel* and *Northwest Travel* subsidy schemes to support travel to sports competitions in regional areas.[223]

Several states also fund other similar programs to address transport service gaps, particularly in regional and remote areas. For example, Northern Territory's *Remote*

[217] IPPG analysis based on data from Transport for NSW (2020) *Annual Report 2019 – 20,* p.145-152

[218] Queensland Department of Communities, Housing and Digital Economy (2021) *Community Transport Program Guideline DCHDE Version 1.0,* July 2021, p.4

Transport for NSW, *Community Transport Operators,* https://www.transport.nsw.gov.au/operations/community-transport-operators [Accessed 26 October 2021]

[219] Queensland Department of Communities, Housing and Digital Economy (2021) *Community Transport Program Guideline DCHDE Version 1.0,* July 2021, p.8

[220] Transport for NSW (2017) *Community Transport Program Services Schedule,* p.2

[221] National Disability Insurance Scheme 2020, *Changes to transport supports,* 7 December 2020, https://www.ndis.gov.au/news/5732-changes-transport-supports

[222] Transport for NSW 2020, *Transport for New South Wales: Annual Report 2019-20* p. 67

[223] Western Australian Department of Industries and Regional Development, *Country Age Pension Fuel Card,* http://www.drd.wa.gov.au/projects/Roads-and-Transport/Pages/Country-Age-Pension-Fuel-Card.aspx

Western Australian Department of Local Government, Sport and Cultural Industries 2018, *Application Guidelines for Regional Athlete Travel Subsidy Scheme,* October 2018, p. 5

Western Australian Department of Local Government, Sport and Cultural Industries, *Regional Funding,* https://www.dlgsc.wa.gov.au/funding/regional-funding

Community Transport Program provides recurrent funding to various organisations to provide "specified regular route services" for permanent, remote populations to facilitate their access to essential services. [224] Under the program, community transport is defined as a "safe, affordable, and flexible form of transport, run by the community for the community" and support is provided to help funded organisations to develop "a transport service moulded to local needs".[225]

Victoria and NSW have also provided other funding to community transport providers through non-recurrent grant programs aimed at improving the availability and inclusivity of transport. For example:

- The Victorian Department of Transport's *Flexible Local Transport Solutions (FLTS) Program* has funded the purchase of vehicles by community transport providers and the compilation of local council-run information pages on the local availability of community transport services. [226] For example, Warrambool-based community transport provider used FLTS funding to purchase a new Honda Odyssey in 2019.[227]
- TfNSW's *Transport Access Regional Partnerships (TARP) grants program* provides non-recurrent funding to support "projects that address specific transport service gaps for a community or a group of people".[228] Though TARP funding can be used to cover staffing costs that are "directly related to service provision", it cannot be used to purchase vehicles.[229] The majority of the $888,764 in TARP funding distributed to 42 organisations in the 2019-20 Financial Year supported the provision of one-off or ongoing community transport services to regional communities, in particular disadvantaged or isolated Aboriginal communities.[230]

Health programs

All state governments also provide funding for non-emergency medical transport or patient transport service programs, which aim to address barriers which prevent individuals from accessing health services, reduce health inequality and improve health outcomes across the community.[231]

[224] Northern Territory Department of Infrastructure, Planning and Logistics 2019, *Remote Passenger Transport Program - Information,* February 2019 p.1

[225] Northern Territory Public Transport Unit, *Remote Community Transport Guiding Principles and Tools,* February 2019 p. 5 & 6

[226] Buloke Shire Council, *Community Transport,* https://www.buloke.vic.gov.au/community-transport

[227] Victorian Department of Transport 2020, *Accessible Public Transport in Victoria: Action Plan 2020 – 2024* p. 7

[228] Transport for NSW, *Transport Access Regional Partnerships (TARP) grants program,* https://www.transport.nsw.gov.au/operations/community-transport-operators/transport-access-regional-partnerships-tarp-grants-program#When_is_funding_available

[229] Transport for NSW 2020, *2020/21 TARP Funding Agreement* p. 1

[230] Transport for NSW 2020, *Transport for New South Wales: Annual Report 2019-20* p. 139

[231] Transport for NSW, *Community Transport Service Contract: Schedule 5 – NGO Health Grants,* p.1

These can be distinct from other community transport services and typically transport individuals with medical conditions that preclude them from using public or private transport (for example because of a potential need for clinical care during transit).

For example, in Tasmania and Victoria these programs award funding to multiple private specialist medical transport providers rather than regular community transport providers,[232] although some of these providers may also provide other community transport services, such as St. John's Ambulance.[233] Northern Territory and Western Australia similarly contract out patient transport services, though these are currently exclusively delivered by St. John's Ambulance.[234] Other states, such as QLD, NSW, ACT and SA deliver these services through existing ambulance services and health district fleets.[235]

The NSW *NGO Health Grants Program* also provides funding to community transport organisations to assist patients "who are transport disadvantaged" to travel to non-emergency health appointments.[236] The program is funded by NSW Health and managed by TfNSW alongside their CTP Program and the state's CHSP contracts. In 2019-20, the NGO Health Grants awarded $870,486 in funding to 21 community transport providers (accounting for around 1% of government grants for community transport administered through contracts with TfNSW).[237]

In addition to these programs, all jurisdictions offer fare subsidies to individuals that need to travel long distances to specialist medical appointments, enabling access to public or commercial transport options at reduced cost. Eligibility criteria and individual funding levels for these programs differ from state-to-state. For example:

- The South Australian *Patient Assistance Transport Scheme* subsidises travel costs for individuals who must travel more than 100km to access approved medical specialist services (excluding clinical trials/experimental treatments and cosmetic

[232] Victorian Department of Health and Human Services (2020) *Non-Emergency Patient Transport Contact List*, November 2020.

Tasmanian Department of Health, *Non-Emergency Patient Transport*, https://www.dhhs.tas.gov.au/nept

[233] St Johns Ambulance Australia (VIC), *Community Transport Service, https://www.stjohnvic.com.au/transport-services/community-transport/*

[234] Northern Territory, *Ambulance Services,* https://nt.gov.au/wellbeing/hospitals-health-services/ambulance-services

[235] Queensland Government, *Non-emergency medical transport*, https://www.qld.gov.au/seniors/transport/transport-assistance/non-emergency-medical-transport

NSW Health, *Patient Transport Service,* https://www.health.nsw.gov.au/pts/Pages/about-pts.aspx

South Australia Ambulance Service, *Non-Emergency Patient Service,* http://www.saambulance.com.au/Whoweare/Nonemergency.aspx

[236] Transport for NSW (2020) *Transport for New South Wales: Annual Report 2018-19,* p. 82

[237] Transport for NSW (2020) *Annual Report 2019 – 20,* p.82, 145-152

surgeries). The subsidy covers the entirety of public transport fares and 16 cents per kilometre travelled for private transport.[238]

- The Tasmanian *Patient Travel Assistance Scheme* (PTAS) provides subsidies for individuals who must travel more than 75km to access specialist treatment, or 50km for oncology or dialysis treatment. The PTAS has different subsidy levels for concession and non-concession card holders: concession card holders must contribute $16.50 per return journey and non-concession card holders must contribute $82.50 per return journey.[239]

Other community-focused programs

Several states provide funding for disability care programs to support customers under the age of 65 with a disability or chronic condition who are not eligible for the NDIS. The provision of transport services under these programs is often incorporated alongside other services, such as domestic assistance and personal care, volunteer coordination, or planned activity groups.[240]

For example, Victoria's *HACC Program for Younger People* (HACC-PYP) has provide funding to dedicated community transport providers under the program such as Link Community Transport.[241] Tasmania's HACC program has similarly provided funding to the state's major dedicated community transport provider, Community Transport Services Tasmania Inc. [242] The Queensland *Community Support Scheme* (QCSS) also provides supports, although transport services are only funded indirectly through sub-contracting or brokerage arrangements.[243]

In addition to state programs, there are many other diverse local programs that can provide transport support for a variety of purpose to people in their local area. These include services provided by local councils, local community centres and neighbourhood houses and other community services.

The provision of community transport services by Neighbourhood Houses in Victoria is indirectly funded by the Department of Health and Human Services, which provides funding to support the coordination of individual Houses for the purpose of providing "community development programs and activities that lead to community-strengthening outcomes" based on the "identified priorities and needs" of each community, which may include transport.[244] For example, the Wycheproof Community Resource Centre in

[238] South Australian Health (2021) *Patient Assistance Travel Scheme (PATS): Guidelines for Assessment*, February 2021, p.7

[239] Tasmanian Health Service (2021) *Travelling in Tasmania: Financial assistance for patients travelling to Specialist Medical Services*, January 2021, p.2

[240] Victorian Department of Health and Human Services 2013, *Home and Community Care Program: Program Manual* p. 47

[241] Victorian Department of Health and Human Services 2020, *Home and Community Care Program for Younger People: Agencies and Funding*, 1 July 2020.

[242] Department of Health Tasmania 2020, *Annual Report 2019-20* p. 67

[243] Queensland Government, *Queensland Community Support Scheme: Program Manual,* p. 32

[244] Victorian Department of Health and Human Services 2016, *Neighbourhood House Coordination Program Guidelines 2016-2019 and Sector Information* p. 7

Victoria offers a community car service for Wycheproof and surrounding districts, whilst the Sea Lake Neighbourhood House has partnered with Mallee Track Health and Community Service (a HACC-PYP funded provider) to provide volunteer transport to non-urgent medical appointments.[245]

One participant in the interviews additionally noted that several local community transport services have been recently piloted in Western Australia (WA), some of which are still undergoing review. A unique example raised included a series of local bus services, recently funded under WA's "Summer Response Strategy", which sought to plug a service gap experienced by Aboriginal and Torres Strait Islander populations needing to travel between Kalgoorlie and their local communities. [246] The gap was identified through another program funded under the Strategy which had established a shop-front in Kalgoorlie intended to provide local populations with a physical space "where people could come to meet with different service providers and have a yarn" and facilitate the development of a unique place-based service designed to meet the specific needs of the surrounding communities.[247]

3.5.4 Government vs other funding sources

It is important to note that community transport providers may also be funded through numerous other non-governmental means and may often rely on diverse sources of income to remain financially sustainable.

A lack of data means it is currently not possible to understand or quantify the overall breakdown of funding for the community transport sector, which would be an extremely complex undertaking.

In respect of government funding, it is useful to examine some indicative data from NSW. An analysis of government funding provided to NSW community transport providers – while not representing a holistic picture of community transport funding in the state – does provide an indicative case study to illustrate the relative significance and scale that different sources of government funding represent in funding community transport services in the state. However, it also highlights potential inconsistencies that are indicative of wider challenges in data, visibility of services and fragmentation of funding.

In 2019-20, for example, data from TfNSW indicates CHSP grant funding for community transport was $69.1m and accounted for 84% of total state and federal recurrent grant funding awarded to community transport providers contracted by TfNSW.[248] However, while TfNSW annual report data from 2018-19 shows a similar CHSP transport funding figure of just below $70m for providers in NSW, separate data

[245] Buloke Shire Council 2019, *Community Transport Options Buloke Shire,* September 2019 p. 1

[246] UTS Qualitative Interviews

[247] UTS Qualitative Interviews

[248] Transport for NSW (2020) *Annual Report 2019 – 20,* p.145-152

from a 2020 analysis of CHSP funding nationally shows that in 2018-19, CHSP-funded transport services in NSW received $81.7m funding.

In 2019-20, TfNSW data indicates that NDIS funding amounted to $1.48m and accounted for 2% of total state and federal recurrent grant funding awarded to NSW providers.[249] Of the total 58 community transport providers awarded government funding in 2019-20, 66% received funding from the NDIS.

However, this highlights the extent to which this data only presents a very limited view of the funding – with NDIS data showing that committed funding for core transport services in NSW in 2019-20 was a much higher $127m.[250]

Some interviewed providers highlighted the important role of charitable donations in providing their funding, while others have diversified to find other sources of revenue, especially where this helps to cover costs that are not covered by government grants (such as the purchase of vehicles).

Several interviewed providers described aspects of diverse funding arrangements:

- *"we are both [grant funded and fee-for-service]. We diversified; we didn't want to be fully dependent on government funding."*
- *"Whilst our main streams of income are from providing government contracts through the Commonwealth Home Support Program, and through the Community Transport Program, we also have a whole stream of what I call a discrete income stream that's not related to those contracts. Which means we can do whatever we want with that income stream by providing other services and other contracts. We actually make a surplus on that, and we use that surplus to go back into helping people who might be transport disadvantaged and really, really need the services."*
- *"For us it's having a look at how we can get people to where they need to go. But that does mean that we have over 80 different funding sources."*
- *"We've taken on… transport for kids with disabilities to get from across the border to the more specialist school. So, we have two bus runs morning and afternoon. And that also helps us with a bit of income, so that helps us pay for those vehicles, which are very, very expensive."*
- *"We're trying to get, sort of, a 50-50 income split where we're 50% government contracts, 50% our own generation. We're probably not quite there yet."*

Other examples identified in the research highlighted collaborative local partnership and funding arrangements with other local service providers, in areas such as health care. As some providers stated:

- *"We've got a partnership with the health services, so they provide an annual contribution that's a small portion of what the service costs. And they usually community fund-raise that if they can or they would back that with their own funding."*

[249] Ibid.

[250] National Disability Insurance Agency (2021) NDIS Quarterly Report to Disability Ministers:Q4 2019-20- Appendices, Figure F.28

- *"We are completely open engaging with any other service provider on any level, whether it's subsidised level or whether it's a commercial level. So, we've got quite a large contract with Eye Care. We work incredibly closely with councils in local areas. We have good relationships with that. We have fabulous relationships with our taxis, because our taxis and community transport work hand in hand together."*
- *"We also have business-to-business relationships, so someone who might be living in a group home where that's four or five adults with disability, we would be supporting that customer to come out with us as part of our day-to-day activity, and that's a little bit of a business-to-business relationship, but that's sort of where it sits."*

4 Innovation landscape

Key points:

- There are many positive examples of innovation in community transport or equivalent services in Australia and internationally, particularly in service innovation, operations, fleet technologies, and customer-facing solutions
- Innovations offer multiple benefits to the sector and its customers, including: visibility and reach; flexibility, responsiveness and resilience of services; availability, timeliness and accuracy of information; increased efficiency and productivity; and reduced operating and administrative costs
- While strong pockets of innovation exist, and the Covid-19 pandemic has provided a useful catalyst for some providers to introduce new technologies, innovation in the sector is uneven due to variations in scale, funding issues, viability or appetite for risk, customer barriers, staff resistance, or philosophy
- There remains a strong appetite for innovation in the sector, but successful innovation is likely to depend on effective partnerships and collaboration within the sector, with other services and with industry to develop and implement solutions that meet the needs of the sector and its customers.

4.1 Strategic context

The rapid, radical and continuous change arising from new and emerging innovations in technologies and business models is self-evident across multiple industries.

Within transport, major relevant trends include digitalisation, enhanced connectivity, increased automation, electrification and the sharing economy. These are underpinned by myriad technologies such as APIs, artificial intelligence and machine learning, cloud/edge computing, the Internet of Things, advanced robotics and new battery technologies to name just a few. As part of these trends, transport is also experiencing a diversification of service and vehicle types that are blurring the lines between historically distinct modes of public and private transport.

The disruptive implications, opportunities and risks associated with these transitions – from the global to the local effects – are widely acknowledged and being intensively pursued by industries and governments alike. While the predominant focus is on innovating private, shared and public transport modes that serve the needs of the majority, harnessing the potential of these innovations will be a crucial part of tackling existing and forecast future challenges around transport disadvantage and accessibility for a growing population with complex mobility needs.

These opportunities include finding new ways to deliver some public services – for example, by introducing more digital healthcare and telemedicine services for people in

rural and remote locations, who are on average ten times less likely than people in major cities to use medical services when needed because of poor physical access to healthcare services.[251] The COVID-19 pandemic has acted as a major catalyst in accelerating adoption of new forms of healthcare service delivery (see box below).

Nevertheless, the opportunities that emerging innovations offer to make transport accessible, flexible, efficient and cost-effective are significant and will be crucial to addressing transport disadvantage and complex mobility needs into the future.

These opportunities exist for community transport too, and there is extensive evidence of innovation happening in the community transport sector. However, the sector's unique context often makes innovation difficult to realise, and consequently it remains a long way behind mass transit, private and shared transport modes.

Given the vital role that community transport plays in providing access for people unable to use other forms of transport and with some of the most complex mobility needs, there are potentially substantial risks around equitable access to the benefits of innovative transport solutions for the most vulnerable in society. Ensuring community transport services are engaged with innovation, and also supported and brought along for the ride, will be vital to leveraging the power of technology in meeting future needs.

COVID-19 and telehealth in Australia

While not a novel concept, the COVID-19 pandemic and associated restrictions on movement have forced many governments and service providers to consider ways to expand and accelerate adoption of innovation models for healthcare service delivery.

In Australia, for example, before the COVID-19 pandemic use of telehealth services was limited because of a lack of Medicare subsidies for telehealth services for existing patients in rural and remote locations as well as requirements for healthcare practitioners to operate from a registered location.

However, in March 2020 Australia introduced the 'Telehealth Determination' (the Health Insurance (Section 3C General Medical Services – COVID-19 Telehealth and Telephone Attendances) Determination 2020 (Cth)) to change regulation in response to the pandemic, making a range of additional telehealth services eligible to be covered under Medicare subsidies.

252 253

[251] PwC (2018) Digital Health in rural and remote Australia tackling the inequality of geography. Taken from AIHW analysis of ABS 2016. Survey of Health Care, 2016, detailed Microdata, DataLab. Canberra: ABS. Findings based on AIHW analysis of ABS Microdata

[252] DLA Piper (2020) Telehealth around the world: A global guide

[253] Ibid.

4.2 Overview of innovation in community transport

Technology is increasingly permeating the community transport sector. However, while strong pockets of innovation exist, it remains unevenly distributed due to variations in scale, funding, viability or appetite for risk, customer or staff resistance, and a desire for technology-led optimisation not to diminish the personalised care that is seen as core to the philosophy of community transport.

Interviewees, particularly representatives from community transport providers or the wider transport and technology industry, identified numerous examples of current and emerging innovations seen as relevant to the sector.

At the same time, many highlighted the gap in the extent of and ability to leverage innovation that exists between community transport and other forms of transport, such as public transport and rideshare, while also identifying opportunities to better leverage from and integrate with these to improve outcomes.

Based on the research carried out for this project, current and emerging innovation and technology use cases for community transport can broadly be grouped into four major categories:

- Customer-facing (section 4.3)
- Operations (section 4.4)
- Fleet, and (section 4.5)
- Service Innovation (section 4.6)

Key developments identified in each of these areas are summarised in Figure 17, below. The final part of this chapter summarises some of the key areas of benefit that these innovative developments may offer for community transport customers and providers.

The Covid-19 pandemic was cited as a significant recent catalyst in accelerating transitions to technology in the sector.

Increasing familiarisation with, adaptation to and adoption of technology and digital methods to engage with or receive services by community transport customers was one factor mentioned. Covid has also presented opportunities for providers to adopt new systems such as ‘cashless’ payments – especially where this was widely seen by providers as beneficial but may have previously been resisted by customers.

At the same time, there were also indications from interviewees of the pandemic disrupting the introduction of innovative services, such as the deployment of digitally enabled demand-responsive community transport services.

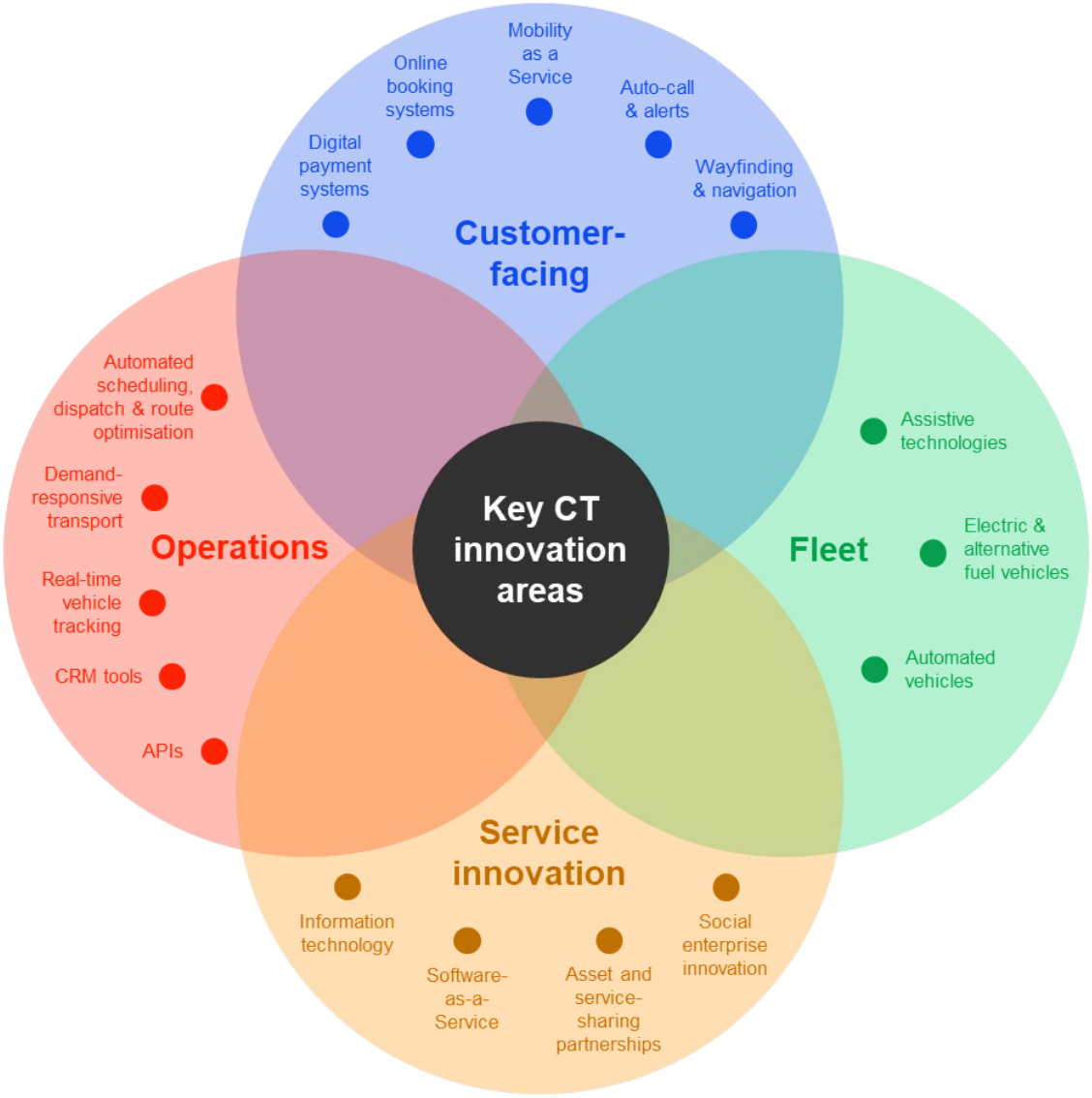
User representative groups offered mixed perspectives on innovative technology. Some were keen to emphasise that innovation and digitalisation of services would not overcome many of the complex challenges involved in transporting people with high-care needs.

Overall, there was positive appetite for innovation in the sector among interviewees, and growing recognition of the opportunities of technology as an enabler to make community transport services more visible and accessible, in part based on experiences of beneficial developments in other public transport and new mobility services (such as rideshare).

Sections 1.3 – 1.6 below describes current and emerging developments relevant to the sector in more detail and highlights some of the potential use cases, benefits and considerations identified in the evidence.

Section 1.7 then summarises the main areas of potential benefit that innovation and technology may provide from both a customer and a community transport operator perspective.

Figure 17 – Current and emerging innovations relevant to community transport



Source: IPPG

4.3 Current and emerging innovations: Customer facing

4.3.1 Digital payment systems

The way we pay for things has undergone huge change in recent years. In Australia, between 2007 and 2019, numbers of consumer cash payments dropped from 69% to 27%, with card payments going from 26% to 63%. The proportion of total payments made as cash was only 10% in 2019. This is the result of rapid adoption of new non-cash payment types, such as tap-and-go payments (including card, mobile phone and wearable devices), web-based and mobile app payments.[254]

These payment methods are already being increasingly adopted within transport services around the world, including use of pre-loaded smart cards as well as mobile/smart watch applications enabled by near field communication (NFC).[255]

Smartcard payment systems have already been adopted by community transport providers in Australia and overseas, such as CARE Plus in Virginia, USA, and Connect Inner West in Sydney provide their customers with a Cabcharge card to use over the weekend and during the evening when their services are not available.

As many electronic payment systems can be automated, they can offer a more accessible method of payment for users with fine motor skill impairments and other issues that may make it more difficult for them to process individual payments.[256] [257]

Several community transport providers interviewed highlighted recent or ongoing transitions to cashless payment systems. Major benefits cited for moving to cashless payments including savings in driver/staff time and administrative costs. Some noted the role Covid had played as a catalyst, or as a justification to their customers for making the change. Other research suggests additional systems could offer more accessible digital payment methods, such as SMS/text options, for those who may face barriers to using smartphones or credit cards, such as people with certain disabilities, low-income and elderly travellers.[258]

[254] Reserve Bank of Australia (2019) Consumer Payment Behaviour in Australia. https://www.rba.gov.au/publications/bulletin/2020/mar/consumer-payment-behaviour-in-australia.html [Accessed 21 October 2021]

[255] Giampapa, J, Steinfeld, A, Teves, E, Dia, M & Rubinstein, Z (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017 p. 34

[256] Schweiger, C. (2018) Accessibility and inclusivity: two vital element of mobility, Schweiger Consulting, 14 December 2018, p.4

[257] Transport for NSW, TTSS Smartcard rollout, https://www.transport.nsw.gov.au/projects/programs/point-to-point-transport/ttss-smartcard-rollout [Accessed 21 October 2021]

[258] Shaheen S., Bell C., Cohen A., and Yelchuru B. (2017) Travel Behavior: Shared Mobility and Transportation Equity, prepared for Office of Policy & Governmental Affairs, Federal Highway Administration, August 2017, Report No. PL-18-007, https://www.fhwa.dot.gov/policy/otps/shared_use_mobility_equity_final.pdf

4.3.2 Online booking systems

The ability for community transport customers to book services online has become a feature for many providers globally but remains relatively new and far from universal.

Community transport providers in countries such as the US (e.g., MTA's Access-A-Ride in New York, Access Services in LA and the Worcester Regional Transit Authority) and the UK (e.g., Readibus and VASA) are increasingly offering online bookings, either via websites or mobile apps, though many of these systems have only been recently introduced or are still being rolled out. [259] [260] [261] [262] [263] BerlMobil, launched in September 2021 in Germany, is also introducing digital bookings through a website and mobile app.[264]

Some Australian providers also offer the ability to book or request rides online (e.g., Randwick-Waverley, Bankstown Canterbury and Southern Highlands Community Transport in NSW, Star Community Transport in QLD and the Multicultural Communities Council of South Australia).[265] [266] [267] [268] However, while Covid-19 offered a springboard for some providers to shift online, many others still only offer telephone bookings.

Some providers cited the value that customers place on personal interactions over the phone and the potential resistance from customers to online bookings as a key consideration, although many of those who were hesitant or yet to move to online bookings had plans to do so or acknowledged the inevitability of moving towards more online approaches in the future.

Interestingly, some providers also pointed to direct experiences of introducing innovative solutions like cashless payments in the face of customer hesitancy or resistance only for customers to accept the shift quickly and see the benefits.

[259] MTA: https://new.mta.info/accessibility/paratransit [Accessed 21 October 2021]

[260] Access Services: https://accessla.org/riding_access/onlinereservations.html [Accessed 21 October 2021]

[261] Worcester Regional Transit Authority: https://www.wrtaparatransit.com [Accessed 21 October 2021]

[262] Readibus: https://readibus.co.uk [Accessed 21 October 2021]

[263] VASA: https://www.vasa.org.uk/ [Accessed 21 October 2021]

[264] Via (2021) Via takes over Berlin paratransit service for people with disabilities, September 2021. Via takes over Berlin paratransit service for people with disabilities: "BerlMobil" service can now be booked online and through a mobile app - Via Transportation (ridewithvia.com) [Accessed 21 October 2021]

[265] Randwick Waverley Community Transport: https://rwctg.org.au/individual-transport/ [Accessed 21 October 2021]

[266] Southern Highlands Community Transport: https://shct.com.au/bookings [Accessed 21 October 2021]

[267] Star Community Transport: https://www.starcommunityservices.org.au/transport/community-transport/ [Accessed 21 October 2021]

[268] MCCSA: https://mccsa.org.au/transport-service/ [Accessed 21 October 2021]

User groups interviewed also indicated interest in more innovative options, such as online bookings, pointing to increasing familiarity and experiences of these options as part of using other public transport and ride-share services.

4.3.3 Auto-calls and alerts

While there are widespread examples, in both research literature and in deployment, of accessible forms of communication for transport users, the vast majority relate to public transport use and are frequently based on the use of smartphone applications or other similar devices (such as tablets or wearables).

However, many community transport providers lack the scale or budgets to implement advanced digital or automated customer information systems, while some community transport customers will also be unfamiliar with, or unable to access or use, digital devices such as mobile phones, tablets or laptops.

Some community transport providers offer automated customer alerts and auto-call systems to remind customers about their journey or keep customers informed about estimated pick-up times. There were examples of Australian community transport providers interviewed (e.g., Connect Inner West[269] and The Community Transport Co.) that have adopted auto-call systems.

These systems can advise customers in advance about estimated pick-up times, through automated phone calls and/or text messages, for example by delivering automated messages the day before or informing customers that their driver is waiting outside. There is also evidence of community transport services overseas that offer similar services, such as Via's BerlMobil service in Germany that can advise clients of estimated pick-up times on the same day.[270]

Some providers are looking to develop these systems further, with one provider interviewed explaining they have a "system that allows us to contact our passengers the night before with an automated phone call system to say when their exact pick-up time will be the next day if they're having a next day. We really want that to be even faster so we're working on that with our software development."

4.3.4 Virtual assistants

Automated call systems for transport information and planning can be confusing for many, with evidence indicating preferences for "chat" style interactions.[271]

Advances in AI and natural language processing (NLP) and have enabled conversational user interfaces (UIs) that are changing the nature of human-machine

[269] Connect Inner West (2020) Annual Report 2019-20, p.12

[270] Via (2021), Via takes over Berlin paratransit service for people with disabilities, September 2021. Via takes over Berlin paratransit service for people with disabilities: "BerlMobil" service can now be booked online and through a mobile app - Via Transportation (ridewithvia.com) [Accessed 21 October 2021]

[271] Yoo, D., Zimmerman, J., Steinfeld, A., & Tomasic, A. (2010) Understanding the space for co-design in riders' interactions with a transit service, Proceedings of the Conference on Human Factors in Computing Systems (CHI).

interactions.[272] 'Virtual assistants' such as Apple's Siri, Microsoft's Cortana and Amazon Alexa allow informal interactions in the user's spoken or written language, for simple question and answer exchanges or structured interactions (e.g., booking a taxi).

Transport applications for customers who may find transport information hard to access have already been explored in research settings (e.g., Carnegie Mellon University's Let's Go! Project).[273] However, while NLP systems are gathering pace in government and industry contexts, across healthcare, retail, telecoms and media sectors, as well as transport[274] (such as Transport for NSW's Transport Bot chatbot),[275] they are embryonic in community transport.

MyleCare is a US-based non-emergency patient transport provider that allows customers to book ride "through natural communication with a smart speaker" and offers integration with UIs such as Google Assistant, Siri and Alexa.[276]

NLP and virtual assistants could offer future opportunities to improve accessibility and convenience of customer interactions with community transport, for example in booking trips. However, while their efficiency is expected to improve over time through machine learning and they are already capable of carrying out specific tasks in a way that can significantly reduce resource needs and costs,[277] research has also shown that the technology has a long way to go to make them truly effective conversational UIs.[278]

4.3.5 Mobility as a Service (MaaS)

Definitions of 'MaaS' vary across jurisdictions but are typically characterised by the integration of journey planning, fare options, booking and payment across different

[272] Hajkowicz SA, Dawson D (2019) Digital Megatrends: A perspective on the coming decade of digital disruption, CSIRO Data61, Brisbane.

[273] Black, A., Burger, S., Conkie, A., Hastie, H., Keizer, S., Lemon, O., Merigaud, N., Parent, G., Schubiner, G., Thomson, B., Williams, J., Yu, K., Young, S., & Eskenazi, M. (2010. Spoken Dialog Challenge: Comparison of Live and Control Test Results, Annual Meeting of the Special Interest Group on Discourse and Dialogue (SIGDial), p.2-7.

[274] Commonwealth of Australia (Australian Communications and Media Authority) (2021) Natural language processing technologies in government: Occasional paper, June 2021

[275] Transport for NSW (2019) Ever wanted your own personal assistant? https://www.transport.nsw.gov.au/news-and-events/articles/ever-wanted-your-own-personal-assistant [Accessed 21 October 2021]

[276] MyleCare https://mylecare.com/nemt-rideshare-for-healthcare-paratranist/ [Accessed 21 October 2021]

[277] Commonwealth of Australia (Australian Communications and Media Authority) (2021), Natural language processing technologies in government: Occasional paper, June 2021

[278] López G., Quesada L., Guerrero L.A. (2018) Alexa vs. Siri vs. Cortana vs. Google Assistant: A Comparison of Speech-Based Natural User Interfaces. In: Nunes I. (eds) Advances in Human Factors and Systems Interaction. AHFE 2017. Advances in Intelligent Systems and Computing, vol 592. Springer, Cham. https://doi.org/10.1007/978-3-319-60366-7_23

transport modes and multiple service providers in a single digital platform (typically via a mobile app).[279] [280] [281]

MaaS solutions are seeing increasing investment, strategic partnerships and deployment around the world, for example through platforms such as Transdev's 'Whim' app,[282] [283] and have also been trialled in Australia.[284] The benefits of digital tools that use multiple transit data sources to enable seamless, integrated and personalised journeys across both public and private transport are being increasingly explored for community transport and equivalent services both in Australia and internationally.[285] [286] [287]

Community transport services such as non-emergency patient transport are already benefiting from digitally enabled access to integrated transport services. In the US, patient transport co-ordination systems operate across multiple cities, in one case integrating services from 5,000 different transport providers as well as taxi platforms.[288] Some services that currently integrate online planning and booking for public transport options such as buses and subsidised ride-share options, such as Pennsylvania's FindMyRidePA, are also looking to expand to include both commercial services such as taxis and non-profit services such as community transport.[289]

Standardised data and user interfaces across different providers are a vital enabler of MaaS.[290] This could particularly benefit community transport customer groups, including older people and those with cognitive impairments, in providing a simple,

[279] Jittrapirom p., Caiati V., Feneri, A., Ebrahimigharehbaghi S., Alonso-González M. and Narayan J., (2017) Mobility as a Service: A Critical Review of Definitions, Assessments of Schemes, and Key Challenges, In: Urban Planning (ISSN: 2183–7635) 2017, Volume 2, Issue 2, p.13–25

[280] Pangbourne, K. (2019) MaaS as a Differentiating Mobility System in Rural and Urban Contexts. In: Implications of Mobility as a Service (MaaS) in Urban and Rural Environments: Emerging Research Opportunities, p.87

[281] Transport for NSW (2020) Future Transport 2056 Strategy, November 2020, p.72

[282] Whim: https://whimapp.com/ [Accessed 21 October 2021]

[283] Capgemini Invent and Autonomy (2020) The Future of Mobility as a Service (MaaS): Which Model of MaaS Will Win Through?

[284] Hensher, D, Ho, C, Reck, D, Smith, G, Lorimer, S & Lu, I (2020) The Sydney Mobility as a Service (MaaS) Trial: Design, Implementation, Lessons and the Future, Institute of Transport and Logistics Studies, The University of Sydney Business School, and Insurance Australia Group, p.5-6

[285] ITS Australia (2018) Mobility as a Service in Australia: Customer insights and opportunities

[286] NHS (2021) Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021

[287] Via (2021) 3 cities and agencies deploying integrated mobility solutions. Available at: https://ridewithvia.com/resources/articles/3-cities-and-agencies-deploying-integrated-mobility-solutions/ [Accessed 17 November 2021]

[288] NHS (2021) Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021

[289] FindMyRidePA: https://findmyridepa.org [Accessed 21 October 2021]

[290] Capgemini Invent and Autonomy (2020) The Future of Mobility as a Service (MaaS): Which Model of MaaS Will Win Through?

seamless and flexible way to engage with community transport and other services according to their individual needs.[291]

However, issues around improving data and data integration, as well as complications associated with wider issues such as fare structures, the shift from community transport supply-side subsidy to person-centred funding and user willingness to pay, are likely to represent key hurdles in integrating community transport services into MaaS-type platforms.[292] [293]

> "The vision of connected transport services and Mobility as a Service seems worlds away from meeting the needs of 'those who are otherwise isolated or excluded, enabling them to live independently, participate in their communities and access education, employment, health and other services'.
>
> However, the developments in real time data, booking and payment platforms, fleet management and telematics which contribute to putting public and shared transport services together in Mobility as a Service packages, could transform and energise community transport.
>
> It could represent a phase shift in enabling community transport to provide 'flexible, accessible and responsive solutions to unmet local transport needs.'"
> [294]

[291] Giampapa, J, Steinfeld, A, Teves, E, Dia, M & Rubinstein, Z (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017 p.35

[292] Gifford, K. (2017) *Where Uber leads, community transport should follow*, In: Local Transport Today, January 2017

[293] Mulley, C., Ho, C., Balbontin, C., Hensher, D., Stevens, L., Nelson, J. D., & Wright, S. (2020) Mobility as a service in community transport in Australia: Can it provide a sustainable future? Transportation Research. Part A, Policy and Practice, 131, 107-122. https://doi.org/10.1016/j.tra.2019.04.001

[294] Gifford, K. (2017) *Where Uber leads, community transport should follow*, In: Local Transport Today, January 2017

4.4 Current and emerging innovations: Operations

4.4.1 Automated scheduling, dispatch and route optimization

There are a variety of technology solutions already available in the market that use software systems and algorithms to manage and support automated scheduling and dispatch of trips and optimise routes to improve efficiency of service delivery.

Digital technologies such as route optimisation and auto-allocation software make it easier for multiple trips to be completed, improving productivity and reducing costs to the provider.[295] [296]

For example, Orcoda's route optimisation system has been used by TransitCare to optimise routing, scheduling and aggregation of community transport provision. The introduction of technology-enabled operations has demonstrated substantial benefits in improved fleet utilisation (reducing empty-running distances by 25%), substantial cost savings ($1.75 million), reducing the number of trips the provider had to outsource, as well as improved customer service and data-driven insights.[297]

Other software suppliers such as Trips or Trapeze PASS offer similar services, with systems developed for use by community transport providers in Australia and overseas (e.g., in the US) including scheduling and dispatch software as well as routing algorithms that maximise efficient routing and auto-allocation across multiple trips and customers.[298] [299]

These systems can also incorporate other tools, such as certifying customer eligibility, customer information management, real-time vehicle tracking and reporting, to provide a more integrated suite of software tools for managing community transport services, as discussed further under 'Software-as-a-Service'.

4.4.2 Vehicle tracking

Vehicle tracking can use a range of underlying technologies, such as GPS and other Internet of Things wireless connectivity solutions, to provide data on vehicle and fleet locations including in real-time. This allows information to be communicated to operations staff and to customers about vehicle location, status, estimated arrival times

[295] Owens, J. (2018), Best Practices: Paratransit Innovation & Efficiency – Richmond, Va. In: Mass Transit, June 2019, p.38

[296] NHS (2021) Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021

[297] Orcoda: https://orcoda.com/health/ [Accessed 21 October 2021]

[298] TRIPS, Software to Enhance Your Transport Service Delivery, https://tripssoftware.com.au/product/ [Accessed 22 October 2021]

[299] Trapeze: https://go.trapezegroup.com/DemoTrapezePass.html [Accessed 22 October 2021]

and trip progress, as well as for providing insights on, reviewing and optimising operational performance.[300]

Vehicle tracking enables better customer information about vehicle type, estimated arrival time and real-time tracking, which can reduce wait times, improve customer satisfaction and increase patronage.[301] Real-time vehicle tracking can also be "integrated with mobile or web-based communications to inform riders about up-to-date schedules, arrivals, and service alerts".[302]

There are various technology providers that offer vehicle tracking as part of wider software toolkits for community transport providers (as described under 'Automated scheduling…'). Other companies, such as Australian provider Fleet Complete, offer specific GPS-based connected fleet management technology aimed at community transport providers, which can include information on vehicle status and automated alerts of accidents, as well as data on driver performance.[303]

In addition to improvements in customer information, benefits can also therefore include improved safety performance as well as resilience and responsiveness of services to disruption, such as the ability to rapidly identify and respond to service disruptions, such as delays or accidents, and reschedule services at short notice.

4.4.3 Demand-responsive transport

Demand-responsive transport services (DRT) can come in various forms and is characterised by providing flexible transport enabled by digital technology, including use of artificial intelligence and machine-learning algorithms to group trips with similar or common destinations together, and auto-allocate the most efficient route to complete these trips simultaneously. Instead of operating on fixed routes or timetables, DRT alters routes to pick up multiple customers at or close to home and dynamically optimise services in the most efficient way according to demand based on customer bookings.[304] [305] [306] This can particularly offer innovative ways to provide shared public,

[300] Office of the Assistant Secretary for Research and Technology, Intelligent Transportation Systems Joint Program Office, Mobility Services for All Americans (MSAA): 3. Linking Technology with Access and Mobility, United States Department of Transportation, https://www.its.dot.gov/research_archives/msaa/msaa2/chapter3.htm [Accessed 22 October 2021]

[301] LaMondia, J, Gajkowski, T & Ramirez, V. (2018) Are Small- and Medium-Size Community Paratransit Riders Ready to Adopt Real-Time Information (RTI) Technology? In: Transportation Research Record, vol. 2672, no. 51, p.57

[302] *Ibid.*

[303] Fleet Complete, GPS Tracking for Community Service Vehicles: https://www.fleetcomplete.com.au/industries/gps-tracking-vehicle-community-services/ [Accessed 22 October 2021]

[304] Liftango, What is Demand-Responsive Transport?: https://www.liftango.com/blog/what-is-demand-responsive-transport [Accessed 22 October 2021]

[305] TransLink, What is Demand Responsive Transport?: https://translink.com.au/travel-with-us/on-demand/logan/what-is-drt [Accessed 22 October 2021]

[306] Global Infrastructure Hub (2020) Demand Responsive Transport Case Study, November 2020. https://www.gihub.org/resources/showcase-projects/demand-responsive-transport/ [Accessed 22 October 2021]

quasi-public or private transport services where fixed-route public transport services are not sufficiently cost-effective or accessible enough to cater for demand.[307]

Following progressive regulatory reforms introduced by various state governments for on-demand and point-to-point services[308] these services are being increasingly deployed by public and private sector operators across Australia.[309] [310] [311] The number of on-demand transport operators in Australia more than tripled from seven to 22 between 2017 and 2019, with services coming into operation across jurisdictions and monthly patronage rising nearly 1000%.[312] In some cases, community transport services offer DRT that caters specifically for customers who cannot access other local public transport, for example due to a lack of public transport provision or mobility constraints.[313] [314] Service types vary; some offer point-to-point services and others point-to-hub transport to designated local 'hubs', such as hospitals and shopping centres. Others act as first/last mile connections to the nearest fixed-route public transport services, while others operate within defined 'zones' and offer trips to and from any locations within this area.

Although not all community transport DRT services are very responsive (e.g., Epping Forest Community Transport in the UK requires at least 3 days' notice and sufficient passenger numbers to provide trips)[315] there are numerous examples of more innovative services both in Australia and overseas. For example, in Las Vegas, the 'Ride On-Demand' pilot provides flexible, on-demand paratransit services in partnership with ride-share company Lyft. Lyft drivers are trained to assist passengers that require additional support, such as lifting and securing wheelchairs or communicating with customers with a hearing impairment.[316] Knox City Council in Victoria provides the Boronia on-demand bus service, which provides access to local hubs for older residents who need transport assistance. The service operates on a

[307] Davison, L., Enoch, M., Ryley, T., Quddus, M. & Wang, C. (2014) A Survey of Demand Responsive Transport in Great Britain, In: Transport Policy, 2014, Vol. 31, p.47-54

[308] Department of Transport WA (2020), On-demand transport reform: https://www.transport.wa.gov.au/On-demandTransport/on-demand-transport-reform.asp [Accessed 22 October 2021]

[309] Transport for NSW, On Demand public transport: https://transportnsw.info/travel-info/ways-to-get-around/on-demand [Accessed 22 October 2021]

[310] Government of South Australia, SA's first On-Demand buses hit the road: https://www.premier.sa.gov.au/news/media-releases/news/sas-first-on-demand-buses-hit-the-road2 [Accessed 22 October 2021]

[311] Translink, On Demand: https://translink.com.au/travel-with-us/on-demand [Accessed 22 October 2021]

[312] Kaufman B., Brisbane Times, On-demand services bring public transport to the suburbs, March 2020. https://www.brisbanetimes.com.au/national/queensland/1-million-rides-and-counting-on-demand-services-bring-public-transport-to-the-suburbs-20200315-p54abs.html [Accessed 22 October 2021]

[313] Transport for Victoria (2021) New Rowville bus big on flexibility, 29 March 2021, https://transport.vic.gov.au/about/transport-news/news-archive/new-rowville-bus-big-on-flexibility [Accessed 22 October 2021]

[314] Kaufman B., Brisbane Times, On-demand services bring public transport to the suburbs, March 2020. https://www.brisbanetimes.com.au/national/queensland/1-million-rides-and-counting-on-demand-services-bring-public-transport-to-the-suburbs-20200315-p54abs.html [Accessed 22 October 2021]

[315] Epping Forest Community Transport: http://www.efcommunitytransport.co.uk/ [Accessed 21 October 2021]

[316] Quigley, T. (2018) Best Practices: Paratransit Innovation & Efficiency – Las Vegas, Nev. In: Mass Transit, June 2019, p.38

fixed route but diverts to pick customers up from their home and then picks up passengers from hubs to a pre-determined timetable to return them home.[317]

While DRT and other shared mobility solutions will need to be accessible, shared mobility does not work for all and community transport services will need to continue to cater to those who may be uncomfortable sharing trips (e.g., due to mental health or developmental conditions).[318] Also, while several community transport providers interviewed indicated an interest in DRT, many noted concerns with the viability of introducing DRT, including challenges of constrained funding, inability to scale up to meet demand and potential risks of 'ordinary' transport users displacing customers in most need of transport assistance. Similarly, one private DRT provider of services intended for the general public also raised concerns with community transport providers or customers making use of these services to transport community transport customers with specific needs that the service provider's staff are not trained for.

4.4.4 Application Programming Interface (API)

Data is widely acknowledged as critical enabler of transport innovation. For the community transport sector, this means that being in a position to engage with, manage and contribute detailed transit data alongside other actors in the transport system will be essential to the ability of the sector to participate in the transport innovation revolution.

An Application Programming Interface (API) is a software intermediary that enables connectivity and interoperability between different data repositories and systems. This facilitates access to, sharing and integration of data, making them an increasingly foundational technology in enabling data sharing in many industries.[319]

APIs are now widely available for public transport service providers across the world, and help fuel many of the software services and traveller information mobile apps that millions use every dat. But the quality and availability of data related to community transport is extremely limited, and where this does exist it is typically held internally by operators rather than accessible, shared and integrated. For community transport services to participate in and benefit from the digitalisation of mobility and integrate services into a wider transport system, including as part of MaaS, engaging with open data and data exchange facilitated by APIs will be fundamental.[320]

"Without positive intervention from the community and shared transport sectors, journey planners and travel apps will only show the big operators and people won't

[317] Knox City Council, Victoria, Boronia on-demand bus service: https://www.knox.vic.gov.au/our-services/children-family-and-community-services/seniors-and-over-55s/boronia-demand-bus-service [Accessed 22 October 2021]

[318] UK Department for Transport (2019) Accessibility must be at the heart of new transport tech: https://www.gov.uk/government/news/accessibility-must-be-at-the-heart-of-new-transport-tech [Accessed 22 October 2021]

[319] OECD (2019) Unlocking the Digital Economy - A guide to implementing application programme interfaces in Government, OECD, Paris.

[320] Capgemini Invent and Autonomy (2020) The Future of Mobility as a Service (MaaS): Which Model of MaaS Will Win Through?

know about – or be able to access – services they are entitled to… Ensuring that community and shared transport is visible to those who need it means grappling with tracking, data streams, APIs and platforms."[321]

4.4.5 Customer Relationship Management (CRM)

Customer Relationship Management (CRM) systems are software tools designed for managing customer information and interactions and helping to improve productivity and efficient processes. Interviews and desktop research show these typically store, track and manage customer details, such as: registration, account and eligibility information; customer address and contact information; pick up details and assistance needs (e.g., if they have a mobility aid or a carer).[322]

While not especially innovative technology, and in extensive use across most industries, the level of adoption of these systems varies amongst community transport providers (e.g., as a result of factors such as cost and differences in the scale of operations). Evidence gathered from community transport providers engaged in this research indicates that CRM tools such as Salesforce already being used by some community transport providers, and remain of interest to many others, factors such as cost have been cited as barriers to uptake.

There are also opportunities for CRM system data to be integrated with other apps to offer operational benefits, for example in ensuring vehicles assigned to trips for customers will meet specific user needs and equipping drivers with advance information on client condition, capabilities and travel requirements to improve the delivery of community transport services.[323]

CRM tools can enable opportunities for personalised transport services that can improve assistance provided to community transport customers. However, the level of detail captured in such systems can be limited and in many cases users may have difficulty in self-documenting their needs or details about any disability they may have.[324]

[321] Gifford, K. (2017) Where Uber leads, community transport should follow, In: Local Transport Today, January 2017

[322] Salesforce, What is CRM?: https://www.salesforce.com/au/crm/what-is-crm/ [Accessed 22 October 2021]

[323] Giampapa, J., Steinfeld, A., Teves, E., Dia, M. & Rubinstein, Z. (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017, p.28

[324] Ibid.

4.5 Current and emerging innovations: Fleet

4.5.1 Assistive technologies

Assistive technologies are technology "that facilitates the functional independence of a user".[325] This can include "any device, system or support used by individuals to perform tasks that might otherwise be difficult or impossible. … In brief, anything that assists individuals to perform daily activities."[326]

Many community transport providers cater for wheelchair users and other people with disability and already make extensive use of accessible vehicles that include use of assistive technologies, such as minibuses with wheelchair hoists. A few examples include the City of Rockingham's Community Transport service in WA,[327] Be in Queensland[328] and Community Wheels in Western Sydney.[329]

Advances in robotics are enabling more automated accessibility relevant accessible community transport. Examples include auto-energised access ramps and auto-securing tie-downs or clamping arms, which are more efficient than manual systems (with some devices capable of reducing the time to secure a wheelchair down to 25 seconds).[330]

While many systems have been developed for private vehicles, technologies are also available for larger vehicles. Auto-securing clamping arms have already been introduced on some buses in the US,[331] while a securement system developed by Q'Straint has been used by community transport providers as well as in public transport and private vehicles.[332] Precision-docking systems are also available that make it easier to on-board and off-board customers using wheelchairs.[333] Systems can include

[325] Giampapa, J., Steinfeld, A., Teves, E., Dia, M. & Rubinstein, Z. (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017, p.10

[326] Assistive Technology Australia, What is Assistive Technology?: https://at-aust.org/home/assistive_technology/assistive_technology [Accessed 22 October 2021]

[327] City of Rockingham: https://rockingham.wa.gov.au/community/community-support/community-transport [Accessed 22 October 2021]

[328] Be, Community Transport: https://www.wearebe.org.au/service/community-transport/ [Accessed 22 October 2021]

[329] Community Wheels: https://communitywheels.org.au/our-service [Accessed 22 October 2021]

[330] Schweiger, C. (2018) Accessibility and inclusivity: two vital elements of mobility, Schweiger Consulting, 14 December 2018 p.3

[331] Giampapa, J., Steinfeld, A., Teves, E., Dia, M. & Rubinstein, Z. (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017, p.2

[332] Q'Straint, QRT-1 Series, https://www.qstraint.com/en-au/qrt-1-series/ [Accessed 22 October 2021]

[333] Giampapa, J., Steinfeld, A., Teves, E., Dia, M. & Rubinstein, Z. (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017, p.3

robotic-arm wheelchair loaders, specially adapted seats and battery powered installations that enable easier transfer between wheelchair and vehicle.[334]

4.5.2 Automated Vehicles (AVs)

Many older people or those who experience issues such as sight loss, impaired mobility or cognitive issues may not be able to drive or access public transport.[335] There is extensive academic and grey literature about opportunities that AVs offer for independent, accessible travel, especially for older people or people with disability, who could be key early adopters and accelerate the introduction of AVs.[336]

While global AV pilots are many, few focus on the needs of marginalised user groups with accessibility needs such as those reliant on community transport. A key example is the Busways BusBot AV Trial in Coffs Harbour NSW, launched in 2018. Phase 2 of the trial incorporates services for the Marian Grove Retirement Village, a home for 68 to 98-year-olds, to test the ability of AVs to address the needs of older people with a range of mobility needs as well as experiences of these users.[337]

In April 2019, Aurrigo and Blind Veterans UK also launched the trials of self-driving vehicles for blind veterans, testing self-driving pods equipped with accessible features including voice-activated controls, bright colour edges, door openings, and an external sounds system that changes tone and rate when objects are detected.[338]

Recent research indicates that realising a fully autonomous future of mobility is at least a decade away,[339] and what AVs will herald for the future of community transport is uncertain. Several community transport providers interviewed are watching AV developments with interest, and the impacts for community transport users may include expanded service hours, more 'spontaneous' trips[340] [341] and more independent

[334] Assistive Technology Australia: https://at-aust.org/items/9002, https://at-aust.org/items/7538, https://at-aust.org/items/11759 [Accessed 22 October 2021]

[335] Herriotts, P. (2020) Autonomous cars could revolutionise transport for disabled people – if we change the way we design, In: The Conversation, 20 May 2020. Available at: https://theconversation.com/autonomous-cars-could-revolutionise-transport-for-disabled-people-if-we-change-the-way-we-design-137684 [Accessed 24 October 2021]

[336] Alexiou, G. (2021) How Passengers With Disabilities Can Drive The Autonomous Vehicle Revolution, In: Forbes, 11 April 2021. Available at: https://www.forbes.com/sites/gusalexiou/2021/04/11/how-passengers-with-disabilities-can-drive-the-autonomous-vehicle-revolution/?sh=1846d3ce18a5 [Accessed 24 October 2021]

[337] Busbot: https://www.busbot.com.au [Accessed 24 October 2021]

[338] UK Department for Transport (2019) Accessibility must be at the heart of new transport tech: https://www.gov.uk/government/news/accessibility-must-be-at-the-heart-of-new-transport-tech [Accessed 22 October 2021]

[339] Leonard J., Mindell D. and Stayton E. (2020) MIT Work of the Future, Research Brief RB02-2020: Autonomous Vehicles, Mobility, and Employment Policy: The Roads Ahead. Available at: https://workofthefuture.mit.edu/research-post/autonomous-vehicles-mobility-and-employment-policy-the-roads-ahead/

[340] DDS Wireless: What could AI and Autonomous Vehicles do for paratransit? Available at: https://ddswireless.com/blog/what-could-ai-and-autonomous-vehicles-do-for-paratransit/ [Accessed 24 October 2021]

[341] Hwang, J., Li, W., Stough, L., Lee, C. & Turnbul, K. (2020) A Focus Group Study on the Potential of Autonomous Vehicles as a Viable Transportation Option: Perspectives from People with Disabilities and Public Transit Agencies. In: Transportation research. Part F, Traffic psychology and behaviour, Vol. 70, p.267

travel[342] [343]as well as changes to the role of humans in service delivery. Other issues include ensuring accessibility and accessible design of AVs and integrating this into policy and legislative frameworks.[344] [345]

4.5.3 Electric and alternative fuel vehicles

Electric and alternative fuel vehicles (EVs) are being adopted increasingly quickly into vehicle fleets around the world, and in Australia sales have continued to grow despite the Covid-19 pandemic – though adoption still lags behind other leading nations.[346]

Several interview respondents made reference to electric vehicles. This included some community transport providers that are already transitioning from diesel to electric or hybrid electric vehicles. One also noted scope for community transport to introduce other alternative forms of mobility options such as bicycles and eBikes. A few interviewees also highlighted some of the factors to consider in shifting to an EV fleet, including the potential challenges in procuring EVs, the need to manage vehicle maintenance and organise depots differently and to re-skill staff for maintaining different engine and types.

Numerous community transport providers are beginning to adopt electric vehicles, though this appears more common in places such as the UK, where very recent examples include ReFLEX Orkney in Scotland and Builth Wells Community Support in Wales.[347] [348]

Holderness Area Rural Transport (HART), a community transport provider operating in the northeast of England, provides door-to-door services for medical, shopping and day trips, purchased two EVs with grant support in 2018 (a five-seater minivan and a larger

[342] Kuzio, J. (2021) Autonomous vehicles and paratransit: Examining the protective framework of the Americans with Disabilities Act, In: Case Studies on Transport Policy, Volume 9, Issue 3, 2021, p.1130-1140. ISSN 2213-624X, https://doi.org/10.1016/j.cstp.2021.06.001

[343] Kempapidis, T., Castle C.L., Fairchild R.G., Hussain S.F., Cash A.T.G. & Gomes R.S.M. (2020) A scientific evaluation of autonomous vehicle user experience on sighted and visually impaired passengers based on FACS (Facial Analysis Coding System) and a user experience questionnaire, Journal of Transport & Health, Volume 19, 2020, 100906, ISSN 2214-1405, https://doi.org/10.1016/j.jth.2020.100906.

[344] Kuzio, J. (2021) Autonomous vehicles and paratransit: Examining the protective framework of the Americans with Disabilities Act, In: Case Studies on Transport Policy, Volume 9, Issue 3, 2021, p.1130-1140. ISSN 2213-624X, https://doi.org/10.1016/j.cstp.2021.06.001

[345] Claypool H., Amitai B. and Gerlach J. (2017) Self-Driving Cars: The Impact On People With Disabilities, Ruderman Family Foundation White Paper, January 2017

[346] Electric Vehicle Council (2021) State of Electric Vehicles, August 2021

[347] ReFLEX Orkney (2021) Community transport goes electric under ReFLEX Orkney, published 15 February 2021. Available at: https://www.reflexorkney.co.uk/news/community-transport-goes-electric-under-reflex-Orkney [Accessed 24 October 2021]

[348] Powys County Times (2021) New community transport vehicle unveiled in Powys town, published 26 September 2021. Available at: https://www.countytimes.co.uk/news/19603719.new-community-transport-vehicle-unveiled-powys-town/ [Accessed 24 October 2021]

minibus), and provides a useful case study to highlight a range of considerations around transitioning to EVs for CT providers.[349]

Even in the relatively mature UK EV market, while the HART minivan was easy to acquire the larger electric minibus was difficult to procure and had to be specially made. HART also had to work through re-charging requirements, including the importance of having vehicles fitted with rapid-charging capability. Drivers were initially anxious about the EVs, though quickly overcame this with familiarity, while having EVs also had an unexpected positive impact in attracting younger volunteers. Although upfront vehicle costs were substantially higher, they also demonstrated significant savings in running costs, particularly fuel costs which were reduced by half for the minibus and by over two thirds for the minivan.[350]

High purchasing and leasing costs of EVs are widely expected to achieve parity with internal combustion engine vehicles by 2030 or earlier.[351] [352] As highlighted in earlier sections of this report around the costs of service provision, fuel is one of the biggest components of provider fleet costs. [353] There is also good evidence to demonstrate how EVs can substantially reduce costs compared to internal combustion engine vehicles and offer a net financial benefit to providers, which together with the need for the community transport sector to follow the rest of transport in becoming more environmentally sustainable, supports the case for transitioning fleets to EVs at the earliest opportunity.[354] [355] [356] [357]

[349] Riches, S. (2019) Clean Air Day 2019 – CT and Electric Vehicles, In: CTA UK Blog, 20 June 2019. Available at: https://ctauk.org/clean-air-day-2019-ct-and-electric-vehicles/ [Accessed 24 October 2021]

[350] Riches, S. (2019) Clean Air Day 2019 – CT and Electric Vehicles, In: CTA UK Blog, 20 June 2019. Available at: https://ctauk.org/clean-air-day-2019-ct-and-electric-vehicles/ [Accessed 24 October 2021]

[351] Transport for NSW (2019) NSW Electric & Hybrid Vehicle Plan, p.9. Available at: https://future.transport.nsw.gov.au/plans/nsw-electric-and-hybrid-vehicle-plan

[352] NHS (2021), Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021

[353] Wendt, R. (2021) Fleet Electrification: A Cost and Benefits Analysis. Available at: https://www.automotive-fleet.com/10150961/benefits-and-costs-of-an-electric-vehicle-fleet

[354] NHS (2021), Improving non-emergency patient transport services: Report of the non-emergency patient transport review, August 2021, p.52

[355] Wendt, R. (2021) Fleet Electrification: A Cost and Benefits Analysis. Available at: https://www.automotive-fleet.com/10150961/benefits-and-costs-of-an-electric-vehicle-fleet

[356] Origin Energy, Interested in an electric vehicle fleet? Available at: https://www.originenergy.com.au/business/commercial-and-industrial/energy-efficiency/electric-vehicles/ [Accessed 24 October 2021]

[357] McKinsey (2020) Charging electric-vehicle fleets: How to seize the emerging opportunity, March 2020. Available at: https://www.mckinsey.com/business-functions/sustainability/our-insights/charging-electric-vehicle-fleets-how-to-seize-the-emerging-opportunity [Accessed 24 October 2021]

4.6 Current and emerging innovations: Service innovation

4.6.1 Information and communications technology (ICT)

Interviews with community transport providers and transport technology organisations emphasise the increasing digitalisation of the management of community transport services through growing use of and investment in IT systems.

These systems are being widely adopted by community transport providers in Australia, under a range of service models – including custom in-house systems and outsourcing. Some have already invested millions of dollars in systems to deliver efficiencies. However, while most referred to some level of IT adoption and many spoke to ongoing improvements in this area, current levels of adoption vary significantly with many providers still heavily reliant on manual processes and older technologies.

Modernised IT for community transport providers demonstrates a range of applications and benefits. Enhanced customer systems (see also CRM) record details of customers, enabling flexible services tailored to customer needs. Improved booking systems have enabled providers to improve responsiveness, taking day-before or even on-the-day bookings where before customers would have to book trips days in advance.

IT can also optimise scheduling and dispatch, planning and dynamically manage drivers, vehicles and trips in advance, monitor where vehicles are and if trips are on schedule. In-vehicle and mobile devices for drivers can convey real-time information about schedules, routes, customer pick-up or assistance needs, and be used to take payments, manage rostering or report customer complaints.

These systems also improve information management and business intelligence, enhancing understanding and reporting of current operations, performance and efficiency (e.g., on issues such as distances being travelled and vehicle utilisation), as well as streamlining administrative functions such as CHSP or NDIS reporting.

4.6.2 Software-as-a-Service

Many community transport providers increasingly use advanced software to manage services via outsourced ‘Software-as-a-Service’ delivery models. However, while interviewees spoke to the benefits, some noted that solutions were not always fit for purpose.

There are various providers in the market for providing integrated, often modular, software packages for the community transport sector that cover a range of back-of-house administration, operations and service delivery functions (as described under IT and elsewhere). Common examples are:

Trips: system developed by NSW-based SOS Technology Group to provide a “complete community transport management system and on board vehicle solution”,[358]

[358] SOS Technology Group: https://sostg.com.au/services/software-and-apps/ [Accessed 25 October 2021]

including CRM, bookings, route optimisation, vehicle tracking, CHSP and NDIS reporting and management and performance data and reporting.[359]

RouteMatch: US system, acquired by Uber in July 2020. Integrates: customer information (e.g., address, contact details, mobility and assistance needs, as well as real-time communications); booking, scheduling and dispatch optimisation; driver information; and reporting.[360] Community transport providers in NSW have been obliged to use Routematch under contracts with Transport for NSW.

Trapeze: Trapeze is a global public transit technology company. Their PASS system is designed for US paratransit, incorporating customer registration, bookings, scheduling, dispatch, vehicle tracking and other functions.[361]

Via: Another global transit tech provider, offering scalable solutions for on-demand community and public transport across a range of delivery models.[362] [363]

4.6.3 Asset and service sharing partnerships

Funding and other challenges make it difficult for many community transport providers to be sustainable – including generating sufficient revenues from subsidised trips or in low density areas, as well as trends such as increasing demand for non-emergency patient transport to access medical appointments.[364] [365]

Many seek opportunities for entrepreneurship and partnership.[366] [367] Diversification can also reduce reliance on grants and subsidies that are subject to external decision-

[359] Trips: Software to Enhance Your Transport Service Delivery, https://tripssoftware.com.au/product/ [Accessed 22 October 2021]

[360] RouteMatch: https://www.routematch.com [Accessed 25 October 2021]

[361] Trapeze PASS: https://go.trapezegroup.com/DemoTrapezePass.html [Accessed 25 October 2021]

[362] Via: https://ridewithvia.com/ [Accessed 25 October 2021]

[363] Via (2020) Cities ready to modernize paratransit may have a new solution, 23 June 2020. Available at: https://ridewithvia.com/resources/articles/cities-ready-to-modernize-paratransit-may-have-a-new-solution/ [Accessed 25 October 2021]

[364] Kotecha, M., Davies M., Miscampbell G., Barnard M. & Hughes S. (2017) What works: Successful community transport, Power to Change Research Institute Report No. 7

[365] Battalino, H. & McClain K. (2011) Community Transport in NSW – Broadening the Horizon. Australasian Transport Research Forum 2011 Proceedings, 28 - 30 September 2011, Adelaide, Australia. Publication website: http://www.patrec.org/atrf.aspx

[366] ACTA (2017) Community Transport in 2030, February 2017. Available at: https://communitytransportaustralia.org.au/transport-news/community-transport/ [Accessed 24 October 2021]

[367] Kotecha, M., Davies M., Miscampbell G., Barnard M. & Hughes S. (2017) What works: Successful community transport, Power to Change Research Institute Report No. 7

making, improve access to funding streams, business opportunities and information and enhance financial stability and long-term sustainability.[368] [369]

> "Evidence from the literature indicates that for [CT providers], forging partnerships with other organisations in the statutory, voluntary and commercial sectors is of key importance." [370]

As summarised by Mulley et. al. (2018) based on interviews with community transport providers in discussion around Mobility as a Service: "Survival was dependent on moving, willingly or otherwise, into a competitive environment. They all acknowledged forming partnerships was integral to this." [371]

Community transport providers referred to partnering with community and service providers – such as collaborating with health services or community centres that share the same customers but can't fund their own transport and can book transport for customers on their behalf (e.g., through a provider's booking portal). Some community transport providers highlighted specific examples of successful collaborations and partnerships with other local service providers that involve asset or service sharing, particularly where this supports more efficient use of assets and skilled resources:

- *"We collaborate a lot with other community services for the provision of — we're transport specialists so we might provide their transport while they provide the social support, that type of thing. That's one of the business models we run and that's been a successful income generation for us. We go round to various residential age care facilities and provide tours for them, on an ad hoc basis or a more regular basis if they're required. And yeah, I mean we collaborate with anyone and everyone really, in our local area anyway." (community transport provider)*
- *"We worked with other service providers where we're able to show them significant savings by them removing their fleet and subcontracting their work to us… So, we were able to say, we understand a lot of organisations are short of aged care workers and support workers. Well, stop them having people driving around and wasting that valuable resource and put it back into a frontline service. And yeah, we've got a couple of the larger care providers that have given us their work as well. And yeah, they've seen significant savings and it's helped, from an employment point of view, get people back into frontline, because everyone's screaming to get staff." (community transport provider)*

[368] Canning, S., Thomas, R., and Wright, S. (2015) Research into the Social and Economic Benefits of Community Transport in Scotland. Edinburgh: Transport Scotland.

[369] Kotecha, M., Davies M., Miscampbell G., Barnard M. & Hughes S. (2017) What works: Successful community transport, Power to Change Research Institute Report No. 7

[370] Ibid.

[371] Mulley, C., Nelson, J.D., Wright, S. (2018) Community transport meets mobility as a service: On the road to a new a flexible future. Research in Transportation Economics. 69, 583-591. https://doi.org/10.1016/j.retrec.2018.02.004

Many providers or other stakeholders also highlighted greater potential for asset and service sharing between community transport providers with each other, as well as with other transport or community service providers, where there are untapped opportunities to integrate to improve utilisation and reduce costs:

- *"You see an issue of the range of vehicles roaming the roads…. There doesn't seem to be any way that these assets are pooled together to create some level of synergy between all of those assets that are out there. So, I just feel we probably don't all need to provide services at the same time yet we're not pooling together those resources to find and find a better way and a more efficient way of delivering all those transport needs." (industry stakeholder)*

However, several providers engaged noted that, despite a strong desire to partner, they encountered challenges in doing so especially due to lack of awareness or visibility of community transport and a need for the sector to better promote and advocate for itself.

4.6.4 Social enterprise innovation

Previous international research has shown the important role and benefits of social enterprises in meeting the transport needs of local communities. This is particularly the case for more vulnerable people living in rural areas, where small, dispersed populations and limited demand make public transport un-economic to sustain and services either do not exist or may have been discontinued.[372]

Evidence from places like the UK indicates a growing trend towards social enterprise innovation models for community transport.[373] As grant funding for community transport becomes increasingly challenging, community transport operators are having to become increasingly enterprising.[374] A prime example is HCT Group, which delivers passenger bus and community transport services across the UK. HCT's social investment strategy has been key to their growth over two decades. In 2010, they launched a 'social loan' as part of a £5m financing deal, which sought to "level the playing field" for social enterprises that compete with private sector operators.[375] [376] This investment helped HCT double in size over five years and was followed by further

[372] O'Shaughnessy, M., Casey, E. and Enright, P. (2011), "Rural transport in peripheral rural areas: The role of social enterprises in meeting the needs of rural citizens", Social Enterprise Journal, Vol. 7 No. 2, pp. 183-190. https://doi.org/10.1108/17508611111156637

[373] Wigglesworth, C. (2019), Setting up a Social Enterprise: the possibilities for community transport, November 2019

[374] HCT Group: http://hctgroup.org/about_us/innovation_and_change_20/future_journeys_3 [Accessed 21 October 2021]

[375] Civil Society News (2010), HCT Group pilots 'social loan' from Bridges and Futurebuilders: https://www.civilsociety.co.uk/news/hct-group-pilots--social-loan--from-bridges-and-futurebuilders.html [Accessed 21 October 2021]

[376] HCT Group: http://hctgroup.org/about_us/social_investment__27 [Accessed 21 October 2021]

investment rounds of £10m in 2015 and a 2018 fundraising round that raised £17.8 million.[377]

Several interview respondents also pointed to social enterprise innovation in the Australian CT sector, as well as opportunities to learn from social enterprise innovations in other sectors.

- *"We also provide several social enterprise services, I guess, it would be a good description, where we — they're a little bit more targeted at revenue generation so that we can put funds back into our funded programs which are underfunded." (community transport provider)*

An example is the Community Transport Services Tasmania social enterprise Area Connect, which operates in under-served locations to connect people to public transport, public services, work or education. In 2019-20 it went from a free pilot phase to operations and grew rapidly, delivering complementary services alongside other public and community transport.[378] [379]

4.7 Potential benefits

So, there are positive signs of innovation across the community transport sector. Many of the community transport providers interviewed – as well as those that participated in the workshop – clearly recognise the opportunities on offer.

Previous research by Mulley and Nelson (2012) comparing community transport in Australia and the UK has highlighted the relatively early widespread adoption of technology among UK providers and the benefits this has enabled for providers to diversify.

Australian providers that have been faster to adopt innovative solutions are seeing demonstrable benefits, while others clearly see the potential but may feel unable to take advantage:

- *"We went cashless, and it's been great" (community transport provider)*
- *"We have spent $3 million in technology over the last three years. A handheld device, mobile phones, now all of our staff clock on, clock off, do all of their interactions with us via those devices. So, for our core business, that's how we have achieved the efficiency that we need" (community transport provider)*
- *"So, what we've learned in the last three years being involved in [community transport] is that the technology can really help… We can get typically 20 to 30 per cent improvement just using the same fleet but with the technology to prioritise and book those trips" (industry stakeholder)*

[377] Ibid.

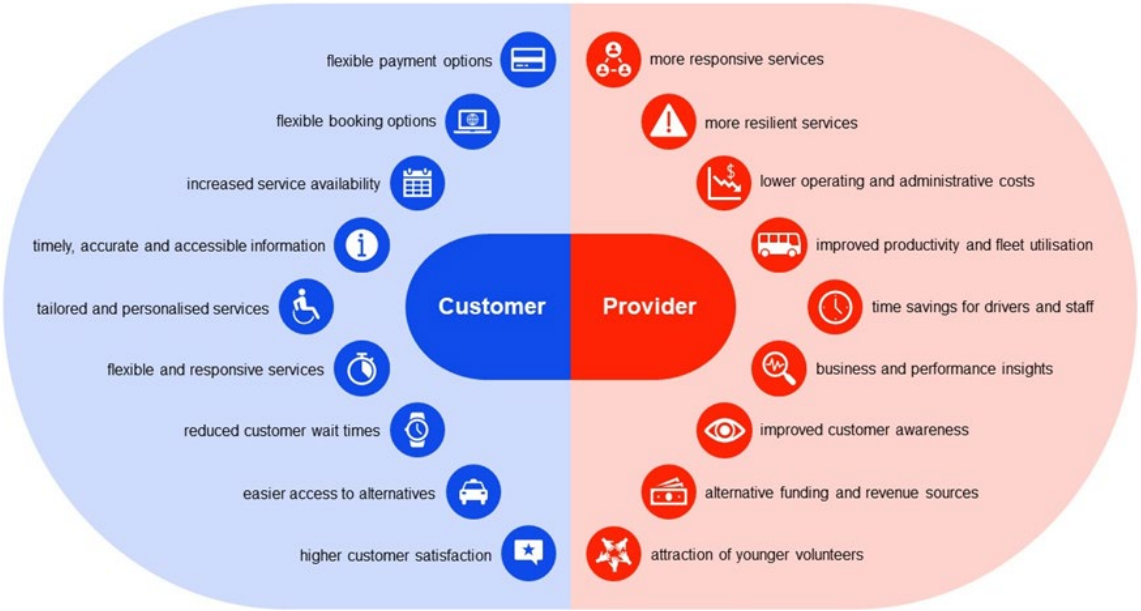
[378] Community Transport Services Tasmania Inc. (2020) Annual Report 2019/20

[379] Area Connect: https://areaconnect.org.au/what-we-do/ [Accessed 23 October 2021]

- *"Even if it was really simple things like a better way of booking appointments, booking pick-up appointments and drop-off appointments, …I think that community transport could look at some of these new technologies and look at how those technologies could be incorporated" (community transport provider)*
- *"Some investment in tech already happening to enable aggregation to reduce unit cost." (community transport provider – workshop participant)*
- *"Aggregation of trips enabled by tech has also brought additional benefits in terms of social interactions." (community transport provider – workshop participant)*
- *"I think investment in some sort of innovative software would be great. We look at Uber... And they have amazing software that we don't have access to" (community transport provider)*
- *"Technology has a place to make the support functions work better – looking for the tech that helps internal processes work better to maximise the face-to-face time of actual service delivery" (community transport provider – workshop participant)*

Based on the evidence gathered through the research we have identified a range of specific benefits from both a customer and provider perspective. Figure 18, below, highlights several key examples (although this is not intended to be exhaustive).

Figure 18 – Examples of potential benefits of emerging innovations for community transport



Undoubtedly there are substantial potential benefits for community transport from innovative solutions. However, while many see the opportunities, realising these is something many providers may not be well-equipped to achieve on their own.

As is the case in other areas of transport, collaboration and partnership involving community transport providers is also likely to be a vital part of advancing innovation in the sector, especially where there are opportunities for mutual benefit.

In addition to the many examples of community transport providers already working in partnership with other local services (as described in section 3.5.4, for example), some also highlighted the role of partnerships in implementing technology solutions, involving both technology providers and other service partners to develop effective solutions, while others spoke of the desire for partnering on technology:

- *"We've got a purpose-built IT system. We've moved away from what's traditionally been available because it was – we brought Route Match out to Australia, probably now 10 or 11 years ago. And that technology has failed to keep pace with the changes that are required to deliver an efficient and effective service, so we partnered up with an organisation… and we have had that now just shy of two years."*
- *"We've taken a very collaborative approach to like developing and refining our software system, so we have a booking agent. So, health service partners can actually book their clients in directly."*
- *"We'd love to see how we could connect with the leaders and the future-thinkers of technology because innovation occurs when you test your product… We're trying to say: 'who feels as though what we're doing is worth investing time in', and with that time, what it is that we can work in partnership with you to demonstrate that then you commercialise and you use for all manner of transport and logistic services."*

5 Key challenges

Key points:

- Actual demand for community transport and assisted mobility is poorly understood. Evidence suggests that there are existing gaps and mismatches between supply and demand, which – without intervention – will worsen with a growing ageing population with complex needs
- The fragmented nature of the existing system also creates significant barriers to access for customers across a range of services, including transport, as well as a highly complex operating environment for community transport providers that brings challenges for both funding and delivery
- Emerging changes to the market, including anticipated funding reforms and an evolving ecosystem of innovative and diversified mobility services, are expected to increase competition – creating opportunities but also potential risks for the future viability of services as well as standards and compliance
- The diversity and disaggregation of the community transport sector, as well as challenges in sustaining its future workforce, impact its collective capacity to advocate for itself and be strategically responsive to change
- The nature of the sector, its customers and the fragmented ecosystem it operates within create a variety of potential barriers to innovation. Challenges around costs and funding, lack of scale, complex and unique sector needs, culture, training requirements and customer barriers may particularly act as barriers to successful introduction of new technologies.

5.1 Introduction

Previous chapters of this report describe the evidence on the current context around transport disadvantage and complex needs (part 2), the role, service delivery and value proposition for community transport in addressing these needs (part 3) and the current and emerging developments around innovation and technology in community transport that may offer opportunities to enhance services (part 4).

The focus of this chapter is to highlight some of the main challenges identified through the research. These incorporate:

- **systemic challenges** associated with effectively understanding and addressing current and future community needs, and the fragmented nature of the existing legacy system designed around specific categories of customer or need

- existing and emerging **sector challenges** facing community transport providers, including issues around increased competition, financial sustainability, compliance with quality and safety requirements and collective capacity
- implications and **barriers for innovation** arising from these challenges.

The final part of this report then focuses on discussing the potential opportunities for and enablers of future systemic and service-level innovation.

5.2 Unmet and poorly understood needs

As described in section 2 of this report, transport disadvantage is a wide-spread issue linked to a multitude of causal factors that create diverse impacts and a continuum of complex needs. This results in a kaleidoscopic spectrum and uneven distribution of demands for mobility assistance. These needs are also expected to increase substantially over the next decade and beyond due to an ageing population and a growing proportion of people experiencing complex care and mobility needs.

Given the complex nature and distribution of these needs, it is difficult to effectively analyse and quantify transport disadvantage and demand for transport assistance. This is partly due to an overall lack of detailed data on specific, relevant areas of demand, need and use. In addition, evidence that does exist is largely focused on those people already eligible for support within the context of specific funding programs.

This leaves substantial blind spots in our understanding of the nature, extent and distribution of transport disadvantage and community needs, particularly for those who may be ineligible for existing funding programs or experience forms of disadvantage that fall outside of their specific areas of focus.

At one level, the idea that systemic needs are going unmet is evident in extant societal challenges around social exclusion and transport poverty, for example. Despite the limitations in specific data, however, there is also evidence to indicate that demand is already under-served by insufficient and uneven supply of current funding.

As described in section 3, many of the most significant programs that fund community transport and equivalent services are subject to strict eligibility requirements, as well as finite levels of funding, for transport support alongside a wide range of other critical services. This makes it inevitable that a range of people who may experience transport disadvantage will fall outside these requirements.

As Mulley and Nelson (2012) observed: “Because access to CT services is often restricted by the characteristics of the user, there is often unmet need from clients who do not meet the required conditions. The degree of unmet need is a concern for funders although difficult to measure unless CT operators record unmet requests”.[380]

[380] Mulley, C. & Nelson, J. (2012) Recent Developments in Community Transport Provision: Comparative Experience from Britain and Australia, p.1818. In: Procedia - Social and Behavioral Sciences, Volume 48, 2012, Pages 1815-1825, ISSN 1877-0428, https://doi.org/10.1016/j.sbspro.2012.06.1156.

The 2014 national review of HACC Community Transport also highlighted systemic challenges and interdependencies in supply across service types, pointing to "shortfalls" in provision of other relevant services (such as patient transport assistance and subsidised taxi schemes) driving up demand for community transport services.[381] The review also emphasised that this was in part due to deficiencies in other programs such as the provision of non-emergency patient transport services, with community transport increasingly having to shoulder the burden of demand.[382]

While the review of HACC community transport may be somewhat dated, more recent evidence indicates these problems persist. A 2020 analysis of the CHSP program for the Department of Health surveyed 8,053 providers across all CHSP service types and asked: "Which service types and/or Aged Care Planning Region (ACPRs) did you have unmet demand (where demand exceeds the services you can supply) in which surplus funds could have been expended? Please select the relevant service type and ACPR combinations".

The responses about transport services indicate that, overall, providers reported that demand exceeded the supply of transport services by over 13% (Figure 19).[383]

Figure 19 – % of CHSP transport services where demand exceeds supply [384]

Jurisdiction	NSW / ACT	VIC	QLD	SA	WA	TAS	NT	Overall
% services where demand exceeded supply	10.2%	8.9%	13.9%	26.3%	6.3%	10%	13%	**13.4%**

The Aged Care Royal Commission's Final Report also highlights evidence of unmet needs for aged care services overall, with transport cited as a key example, as well as the overall lack of evidence on demand:

> "There is at least some **evidence of unmet demand** in home support. Providers report needing to turn people away, particularly for respite and **transport support**." [385]

[381] Verso Consulting (2014) *National Review of Community Transport under the Commonwealth HACC Program: Final Report*

[382] Ibid.

[383] Department of Health (2020) *Commonwealth Home Support Program Data Study*, October 2020

[384] Department of Health (2020) Commonwealth Home Support Program Data Study, October 2020

[385] Royal Commission into Aged Care Quality and Safety (2021) Final Report: Care, Dignity and Respect, Vol. 3A, p.189

Evidence also exists to indicate that transport supports for people with a disability are limited and under-funded. A consultation paper for the new Australian Disability Strategy 2021-2031 noted that around 85% of Australians with a disability will not be eligible for support under the NDIS and would have limited supports to assist with the high cost of living, including transport costs, which created a barrier to accessing the wider community. [386]

As one high-profile 2017 legal case that went to the Federal Court showed, even for those individuals who can access transport supports under the NDIS, the full costs of transport may not be funded.[387]

The above evidence highlights examples of where existing dedicated programs are already likely to be under-serving the mobility needs of those who are already eligible for transport support under these schemes.

Providers engaged in the research also gave consistent qualitative evidence that, beyond the gaps in funding or provision for cohorts already eligible for subsidised transport supports, there are much broader community issues around transport disadvantage and needs for mobility assistance that go largely unmet.

This included numerous examples cited of community transport providers offering services to people in the community with assistance needs that were not eligible for funding under specific programs (such as NDIS or CHSP), for example because this is seen as part of their social obligation to communities, even though it often means taking on the full cost of provision – resulting in greater running costs and financial pressures. As some providers stated:

- *"[Community transport] providers will make decisions to provide a service to people who are transport-disadvantaged who don't necessarily fit strictly in those [eligibility criteria], but they're not funded to do so."*
- *"If someone is not of means to be able to pay for that, that doesn't stop them. We just do no-charge transport for those that really need it."*

Other research as well as feedback from providers identifies other evidence to indicate a range of different mobility needs are going unmet.

For example, growing demand for support to access non-emergency medical services can take up an increasing portion of provider resources, limiting their capacity to meet demands for other types of service such as social outings.[388] Research has also observed that community transport customers, aware of the limitations on resources,

[386] The Social Deck Pty Ltd. (2019) *Right to Opportunity: consultation report to help shape the next national disability strategy.* https://www.dss.gov.au/sites/default/files/documents/12_2019/ndsbeyond2020-fullreport-161219_0.pdf

[387] Federal Court of Australia. McGarrigle v National Disability Insurance Agency [2016] AATA 498; McGarrigle v National Disability Insurance Agency [2017] FCA 308; National Disability Insurance Agency v McGarrigle [2017] FCAFC 132, Victoria Legal Aid (sub. PP367).

[388] Battellino, H., & McClain, K. (2011) *Community Transport in NSW–Broadening the Horizon*. In Australasian Transport Research Forum, Adelaide, 28th-30th September http://www. atrf. info/papers/2011/2011_Battellino_McClain. pdf.

may triage their use of trips to prioritise medical trip purposes over other travel needs.[389]

5.3 Fragmented responses to community needs

Community transport occupies a position at the nexus of transport, health, aged care, disability, social and community services.

Many of these sectors may be increasingly working towards holistic approaches for addressing the needs of specific customer needs or demographics. However, viewed from a transport perspective, the existing market has evolved within a context of fragmented regulatory and funding regimes across jurisdictions, policy siloes and single-purpose programs, rather than as a planned, systemic approach designed to provide equitable transport supports that are responsive to community demands.

As a consequence:

- Community transport providers are caught under a complex, multi-layered array of disparate policy, regulations, standards and other obligations that apply to the delivery of services across varying customer groups and needs – while at the same time not typically being integrated into wider transport policy and planning
- Customers may have difficulty navigating varying eligibility requirements and programs, finding providers and accessing services, while those experiencing transport disadvantage may also face unequal levels of support to assist them in accessing transport
- Most funding arrangements are not primarily designed with community transport services in mind, bringing a range of challenges including funding constraints, fragmented funding sources and a lack of funding stability.

5.3.1 Policy and regulatory complexity

A consistent theme emerging from community transport providers that participated in the research was the sector being subject to ‘strong’, ‘heavy’, ‘multi-layered’ or ‘over-’ regulation.

For example, in the **aged care** sector alone, the Productivity Commission’s 2011 report *Caring for Older Australians* described concerns with the “complex, overlapping and costly regulations.”[390]

All aged care providers must comply with relevant national and state legislation identified by the Aged Care Quality and Safety Commission (ACQSC) on their website. This includes the *Aged Care Act 1997*, [391] the principal legislation governing the aged

[389] Battellino, H., & McClain, K. (2011) *Community Transport in NSW–Broadening the Horizon*. In Australasian Transport Research Forum, Adelaide, 28th-30th September http://www. atrf. info/papers/2011/2011_Battellino_McClain. pdf.

[390] Productivity Commission (2011) *Caring for Older Australians – Inquiry Report Overview,* No. 53, 28 June 2011

[391] Aged Care Quality and Safety Commission, *Legislation,* https://www.agedcarequality.gov.au/providers/standards/legislation

care sector, which includes various obligations on approved aged care providers many of which apply to community transport providers that deliver relevant services. [392] Providers may also be subject to other aged care legislation depending on the relevant funding program – for example, the *Aged Care (Transitions Provisions) Act 1997* applies to services under the Transition Care Program.

All approved aged care providers must also comply with relevant provisions within the *Aged Care Quality Standards* and implement the *Aged Care Diversity Framework*.[393] The *Aged Care Quality Standards* place requirements on the internal processes of providers as well as on standards for the provision of services. For example, requirement 4(d) under *Standard 4 - Services and Supports for Daily Living* dictates that all providers of daily living services, including transport, must ensure that "information about the consumer's condition, needs and preferences is communicated within the organisation, and with others where responsibility for care is shared". [394]

In the **disability** support sector, all community transport providers must also comply with the Commonwealth *Disability Discrimination Act 1992,* as well as other specific legislation relevant to providers delivering services to customers with disability depending on the provider's jurisdiction and the programs that they are delivering services under.

For example, the national obligations for providers delivering services under the NDIS are set out in the *National Disability Services Act 2013,* while in certain jurisdictions state-level disability legislation places additional obligations on registered NDIS providers. Examples include the Victorian *Disability Services Act 2006*, which includes obligations on the use of restrictive practices for NDIS-registered providers, and Queensland's *Disability Services Act* that prohibits the employment of certain persons by NDIS providers.[395]

State-level disability legislation also outlines obligations and/or standards for providers receiving funding to deliver services to customers with disability under specific state-funded programs, such as the Victorian Home and Community Care Program for Younger People (HACC PYP) and the Queensland and NSW Community Transport Programs.

While several State and Territory governments provide some funding for community transport (which may come from a range of agencies, as referred to in section 3.5.3), the primary focus of these jurisdictions in relation to community transport revolves

[392] Commonwealth Government 2021, *Aged Care Act 1997* - Compilation No. 79, 1st September 2021 p. 19, 20, 275 & 322.

[393] Aged Care Quality and Safety Commission, *Aged Care Quality Standards* p.2

[394] Ibid.

[395] Victorian Government 2021, *Disability Act 2006,* Authorised Version No. 044 incorporating amendments as at 1 July 2021 p. 220

Queensland Government 2021, *Disability Services Act 2006,* current as of 5 July 2021 p. 46 - 47

around the **regulation of transport services**. As some government stakeholders described:

- *"If an organisation requires operator accreditation, we process the application and either approve it or don't approve it. But that's primarily our role with community transport." (government stakeholder)*
- *"Drivers are required to have authorisations to 'drive community people around'." (government stakeholder)*
- *"It's a form of public transport, so it's ensuring that the transport services that we regulate are safe and appropriate, and so whether that's a wheelchair accessible taxi or a conventional taxi or a taxi that can carry more than just four or five passengers." (government stakeholder)*

However, transport agencies in different jurisdictions may have varying understandings, definitions and regulatory stances around community transport. On definitions, for example:

- In South Australia, community transport is defined as a service that is "community based or community orientated" and "is not established, or is not principally established, with a view to profit or commercial gain." [396]
- In Queensland, it is defined as "a service for the carriage of passengers funded or subsidised out of public money or by a charity and provided for the benefit of a particular group." [397]
- In NSW, it is defined more strictly as a service "provided under a community transport agreement entered into with Transport for NSW." [398]
- In Western Australia, community transport is defined in the Transport (Road Passenger Services) Act 2018, which explicitly distinguishes it from 'regular' and 'on-demand' transport services and defines it as a "community-based passenger transport service" that specifically support individuals or groups within a local community and is not established for profit or commercial gain. [399]

In terms of how community transport services are regulated, there are some similarities and differences in terms of passenger transport regulation:

- In NSW community transport is explicitly defined in and covered under passenger transport regulations, though providers do not appear to be exempt from any requirements, while in Victoria, Tasmania and the Northern Territory community transport does not appear to be explicitly mentioned in any relevant state or territory transport regulations.

[396] South Australia, *Passenger Transport Regulations 2009,* Part 1 - Preliminary p. 2

[397] Queensland 2021, *Transport Operations (Passenger Transport) Act 1994*0, Schedule 3, current as of 27 September 2021 p. 310

[398] NSW Point to Point Transport Commissioner, *Glossary of Terms,* https://www.pointtopoint.nsw.gov.au/learning-centre/glossary-of-terms#passenger-service

[399] Western Australia 2021, *Transport (Road Passenger Services) Act 2018, s.8, p.12.* as of 30 October 2018

- In Western Australia, road passenger transport regulations were amended in June 2021 to exempt community transport providers from requirements to obtain Passenger Transport Driver (PTD) authorisation for volunteer drivers (though paid drivers must still obtain PTD authorisation).[400] Volunteer drivers supporting community transport services are similarly exempt from obtaining accreditation under South Australia's Passenger Transport Regulations 2009.[401]
- Under Queensland's *Transport Operations (Passenger Transport) Regulation 2018* community transport providers are exempt from operator accreditation if they do *not* provide services "available to the general community" or have no more than two vehicles providing services at a time.[402] Community transport providers in Queensland are also able to grant eligible persons a "restrictive driver authorisation to drive a vehicle to provide a community transport service" and appear to be exempt from some additional vehicle requirements, such as the requirement to have a right-hand drive. [403]

The application of regulatory regimes is also not uniform but can vary depending on the specific service being provided, which brings further complexities for providers. For example, broad definitions of community transport that include subsidised taxi or ride-share services, wheelchair-accessible taxis or other forms of transport are likely to be covered under **additional transport regulations** in different jurisdictions.

As one provider at the workshop noted by way of example, in NSW some community transport services may be provided under a CHSP-related contract, while others provided outside that contract may be captured under separate regulations designed to apply to point-to-point transport services.

Beyond regulations, in wider policy and planning terms community transport also largely operates at the fringes of the transport system. Several providers and other stakeholders engaged in the research referred to **a lack of formal recognition or integration of community transport within transport policy and planning**, with community transport seen as separate to the rest of the transport system despite being an important component of local, place-based transport services.

This is partly due to what some providers described as the sector residing in a 'policy vacuum', straddling multiple policy portfolios where no single agency (such as transport or health) has clear policy ownership of or leads engagement with the sector.

[400] Western Australian Department of Transport, *On-demand transport acts and regulations,* https://www.transport.wa.gov.au/On-demandTransport/on-demand-transport-acts-and-regulations.asp

[401] South Australia, *Passenger Transport Regulations 2009,* Accreditation Part 2, General Passenger Services – Division 1 p. 7

[402] State of Queensland 2021, *Transport Operations (Passenger Transport) Regulation 2018*, current as 1 September 2021 p. 23

[403] State of Queensland 2021, *Transport Operations (Passenger Transport) Regulation 2018*, current as 1 September 2021 p. 189

Some participants felt community transport was disconnected, marginalised and not integrated into the rest of the transport system. Other participants referred to significant variations between states, using the example of NSW where funding is coordinated by TfNSW compared to some other states where community transport was seen by providers as not even acknowledged as part of the transport system.

Some participants outside the community transport sector also observed the limited degree of integration of community transport into wider transport policies and networks. Possible factors suggested for this included community transport's perceived role 'at the margins' of the wider transport system and that, because most funding is not linked to state government, this may limit the levers or incentives for transport agencies to engage with or integrate community transport:

- *"I think what you struggle with, with community transport, is because it is seen as the safety net and it has been on the fringe, if you know what I mean, for such a long time." (government stakeholder)*
- *"From what I've seen, I could be wrong, is that there's not a huge incentive for the states to look at the way of making the services better because it's not their funding. They either spend it or they don't spend it and they don't seem to have a desire or right now, a real genesis to actually want to improve those services or actually to integrate them into other services. Because the funding is coming from the Feds, it's not guaranteed, it's refreshed every 2-3 years and it's not a definitive funding cycle. So, it seems to be difficult for the States to want to make long term investment decisions or structural changes because it's not purely their money, it's from the Feds. That's what I understand the way that the funding cycle works, and it's also some of the problems I see with it." (industry stakeholder)*

5.3.2 Customer barriers to access and use

The highly fragmented nature of current systems and services creates a range of challenges and barriers for customers in accessing transport support, as well as a barrier to service providers in being equipped to offer an integrated service able to meet the needs of a range of customer needs under multiple different regulatory regimes and funding programs.

Community transport providers participating in the research highlighted several specific barriers for customers in accessing services including:

- A lack of customer awareness or visibility of available services
- Challenges for customers in navigating varying eligibility requirements and programs, finding providers and accessing services
- Physical distance from community transport providers and the regions they operate in, and
- Barriers or gaps for service provision arising due to the complexity and fragmentation of the current policy, funding and service landscape.

For example, many providers face challenges in serving customers that receive funding for transport support through programs that provide person-centred funding, such as the NDIS, "given unpredictable revenue flows, limiting the ability to provide high quality

services, efficiently". [404] Other factors such as the complex and costly administrative requirements that can be involved in providing services to customers under multiple funding programs and regulatory regimes also impact providers. As a result, some providers choose not to offer services in these areas,[405] with some interviewed providers indicating that complying with complex regulatory and administrative under multiple fragmented programs made offering some services becomes uneconomic. This demonstrates how the fragmented nature of funding can make it harder for customers to access services.

Similarly, there is other evidence from research that indicates some customers find it hard to navigate the system and access the services they need. For example, a recent report by the Commissioner for Senior Victorians highlights evidence of people struggling to navigate the aged care system, identifying a need for better coordination of policies and services across government, including community transport options.

> "Older people report the aged care system is too complex and difficult to navigate and there are long waiting periods for home support services. They also struggle to identify the services they are eligible to receive." [406]

Figure 20 and Figure 21 below provide customer journey process maps that attempt to describe the support systems for disability and aged care supports, illustrating some of the complexity involved in navigating these as well as potential barriers for customers in accessing transport assistance that is appropriate to customer needs.

[404] ACTA (2021) Reabling Mobility: The Role of Community Transport Report

[405] ACTA (2021) Reabling Mobility: The Role of Community Transport Report

[406] Commissioner for Senior Victorians (2020) Ageing Well In A Changing World: Summary Report, p.5

Figure 20 – Illustrative customer process map for individual with a disability to access transport support

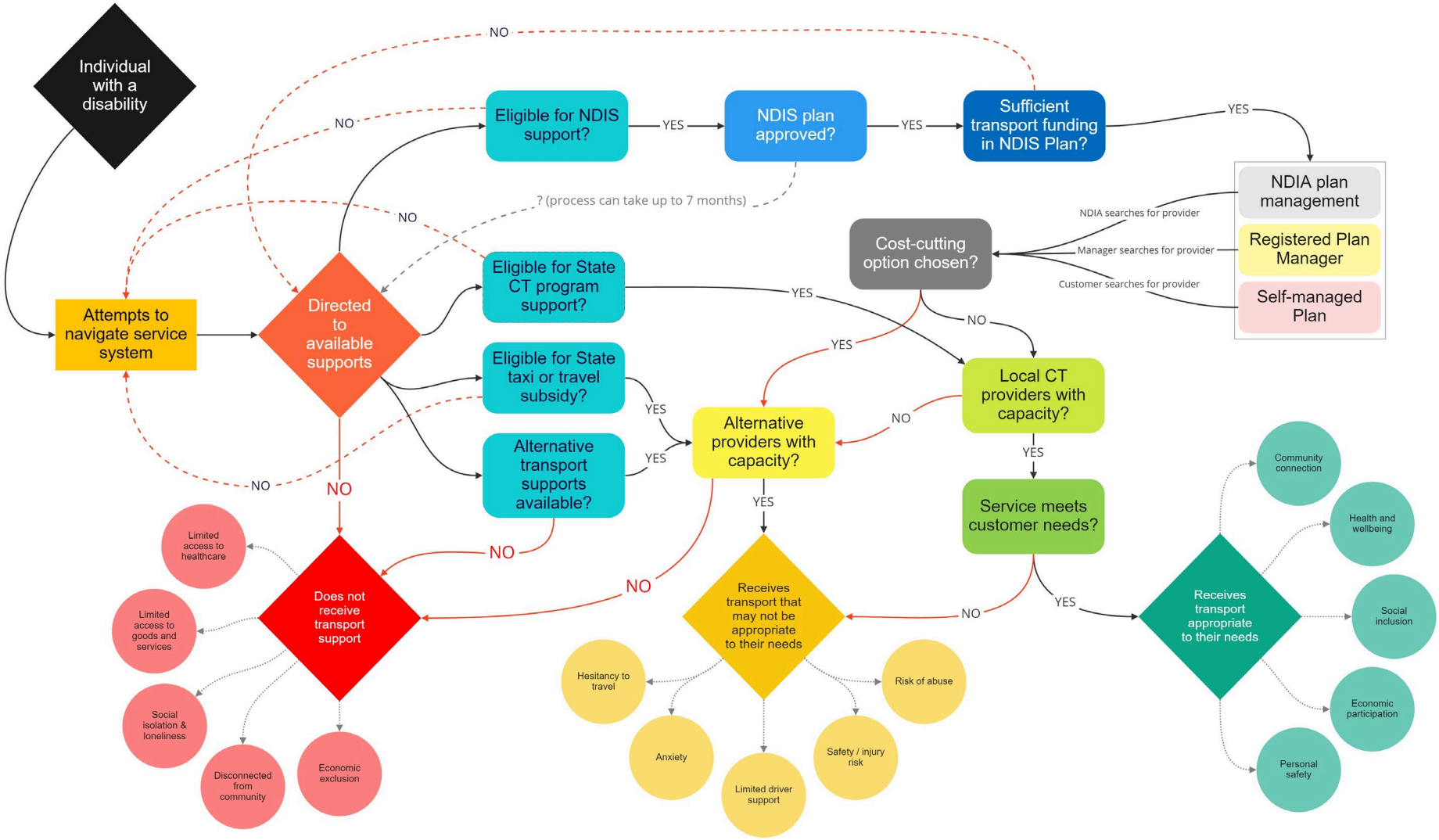
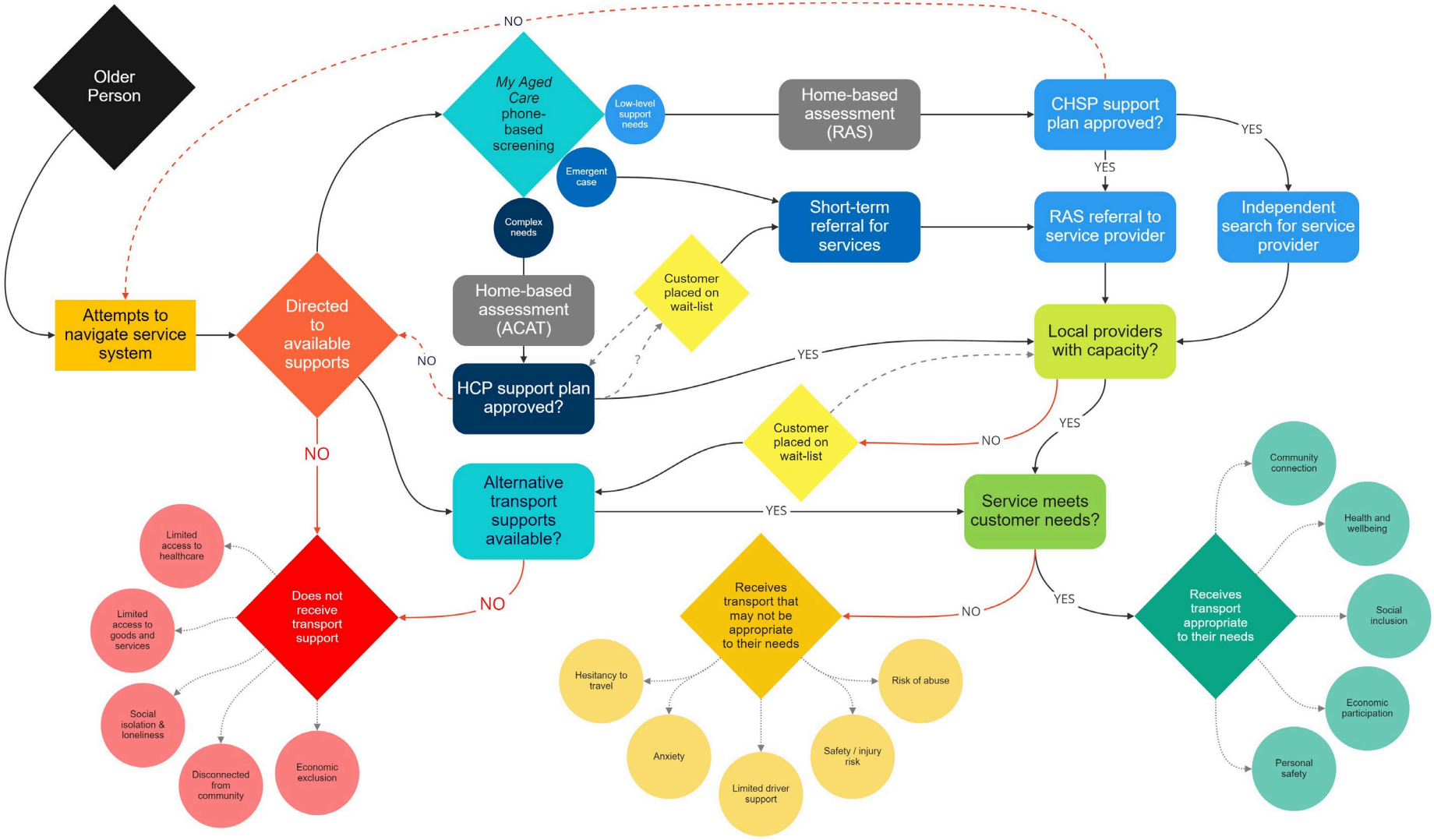


Figure 21 – Illustrative customer process map for an older person to access transport support



5.3.3 Funding challenges

Costs, funding and financial sustainability

Many respondents in the research commented on the financial pressures created by the interplay between high running costs, high administrative and compliance expenses and limited funding. As research by Mulley and Nelson (2012) has previously stated: "On a daily basis community transport operators are faced with a lack of resources." [407]

Qualitative evidence indicates that the costs of providing services outstrip public funding and are rising faster than any increases in funding, while certainty of funding and long-term financial sustainability was a priority area of concern for most providers.

For example, 2020 analysis of CHSP-funded services shows that in 2018-19 the average per-unit expenditure claimed by providers for transport services ($36) was 50% higher than the funded unit cost ($24) – and this may also not fully capture some significant additional costs of providing transport services not covered under CHSP funding, such as asset costs.[408]

Several providers engaged in the workshop also raised concerns around funding models based on per-trip funding, including assumptions made in the design of funding programs about the flat-rate cost of trips. Comments pointed to a substantial difference between the actual market costs of servicing trips in rural versus metropolitan areas not being recognised under contracting arrangements – with some referring to examples of 'one-size-fits-all' contracting arrangements in some jurisdictions.

For example, the planned changes to CHSP in 2022 will include changes to payment arrangements and the introduction of a fixed national unit price range ($18 - $36 per one way trip) and only allow providers to apply loading if they deliver the majority of their services in remote or very remote areas.[409] CHSP contracts will also base negotiated unit prices for each provider on an average of the Aged Care Planning Regions (ACPRs) that they are working across, rather than establishing separate prices appropriate for each ACPR.[410]

Part of the challenge in assessing the extent to which CHSP and other government funding is effectively, efficiently and equitably subsidising the varying costs of delivery is – as similarly emphasised for previous equivalent programs in the 2014 HACC

[407] Mulley, C. & Nelson, J. (2012) Recent Developments in Community Transport Provision: Comparative Experience from Britain and Australia, p.1818. In: Procedia - Social and Behavioral Sciences, Volume 48, 2012, Pages 1815-1825, ISSN 1877-0428, https://doi.org/10.1016/j.sbspro.2012.06.1156.

[408] Department of Health (2020) *Commonwealth Home Support Program Data Study*, October 2020, p.54

[409] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 29 October 2021

[410] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 29 October 2021 p. 3

community transport review [411] and alluded to earlier in section 3.4.4 – is in developing a better understanding of the actual (unit) costs of service delivery.

The funding challenge was reinforced in feedback from providers, who indicated that costs were increasing at a faster rate than any rise in funding, while operators were also unable to cover unavoidable surges in operating costs:

- *"Lack of funding. Uncertainty in funding. That for me, that's the only thing that's concerning me." (community transport provider)*
- *"Generally speaking, it's the financial challenges. To continue offering grant funded services where the grants don't keep up with the cost of the services. So, if a grant goes up one and a half percent, our rent goes up 4% a year. Our wage has gone up this year, three and a half percent over last year." (community transport provider)*
- *"We get funded by a number of trips. And we're usually about 600% over each year." (community transport provider)*

Because of the challenges around constrained resources and rising costs, many providers were concerned about financial sustainability. For example, providers involved in the workshop discussed the viability of providing transport services being dependent on these being cross-subsidised by other services.

Feedback from interviewed providers and other stakeholders also highlighted the extent to which community transport organisations and services depend on actively and continuously pursuing funding from diverse sources to ensure ongoing viability:

- *"For us it's having a look at how we can get people to where they need to go. But that does mean that we have over 80 different funding sources." (community transport provider)*
- *"We're trying to get, sort of, a 50-50 income split where we're 50% government contracts, 50% our own generation. We're probably not quite there yet but that sustainability." (community transport provider)*
- *"Whilst our main streams of income are from providing government contracts through the Commonwealth Home Support Program, and through the Community Transport Program, we also have a whole stream of what I call a discrete income stream that's not related to those contracts. Which means we can do whatever we want with that income stream by providing other services and other contracts. We actually make a surplus on that, and we use that surplus to go back into helping people who might be transport disadvantaged and really, really need the services." (community transport provider)*
- *"We haven't found fewer people with mobility issues, but we have found fewer community transport groups being able to afford to do that work and more demand on taxis and other services to do the work. So, we know that they're acutely affected when funding changes and when community groups either constrict their services or have trouble delivering their services." (industry stakeholder)*

[411] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report

Fragmented funding

Another funding challenge arising from the research is the fragmented nature of funding for community transport.

As outlined in section 3.5 above, the community transport sector is supported by multiple sources of funding from varied programs, many of which are designed to address the needs of specific user groups, such as older people or individuals with disability. Funding is therefore channelled through multiple independent programs that align funding for a variety of service types to specific eligibility criteria and user groups. This results in funding for transport support not being aligned to a more holistic understanding of community needs for assisted mobility.

In part this is a consequence of the enabling role of community transport in supporting the mobility needs of specific but diverse customer groups, who are the focus of different policy agendas and funding programs that are driven from different levels and agencies of government, across policy portfolios.

In many cases (as with aged care and disability support programs), the focus of these programs is not specifically on transport supports but rather on a wide range of support services that groups or individuals may need, of which transport may be one. Other programs that may be state-level transport-focused 'catch-all' programs, health-specific programs or other community-level programs run in parallel. In many jurisdictions access to generalist transport funding also does not exist.

This results in what the 2014 HACC community transport review described as a "mosaic of programs." [412]

In practice, this has the effect of community transport organisations designing themselves to align and respond to specific channels of funding aimed at particular cohorts or purposes (such as aged care and disability supports), and to provide distinct, though in many cases similar, services to each funded customer group.

While in specific agencies the approach to funding programs may make good sense from a holistic user perspective, viewed through a transport lens this fragmentation can result in complexity, potential gaps or misalignment between government policy and funding objectives, and community needs. It also has consequences that providers highlighted in interviews and the workshop in terms of limiting scalability and creating challenges for the viability and sustainability of services.

Another substantial concern among providers with the fragmented nature of funding was the inability to be able to flexibly respond to changing demands in their communities, as funding designed to support one user group cannot typically be pivoted to support the needs of another user group.

For example, a provider receiving funding under both the Commonwealth CHSP and the Queensland Community Transport Program (CTP) would not be able to re-direct

[412] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.vii

unspent funds from their CTP grant to provide transport to a customer over the age of 65 after their CHSP funding had been exhausted, or vice versa. Under both programs, operators are expected to "work within the stipulations of the Service Agreement and contracted level of funding", incurring the costs of any overspends and would need to seek written permission to use unspent funds, which would only be granted in "exceptional circumstances".[413] Unspent funding must instead be held by the provider until the program's annual acquittal process is undertaken, and either recouped at the end of the funding term or deducted from future funding.[414]

The complexity of this fragmented funding landscape across national and state level programs can also result in variations between jurisdictions, as variations in uptake of different programs as well as inequities in funding.

For example, some providers involved in the workshop pointed to funding equity issues between states, citing examples where providers in NSW and QLD receive a higher level of funding than VIC to deliver the same services. This is backed up by previous analysis of the CHSP program for the Department of Health, which highlighted the significantly lower proportion of people accessing CHSP-funded transport services in VIC compared to other jurisdictions (2.8% compared to the national average of 10.9%).[415]

Another significant issue identified in the research around fragmentation of funding relates to constraints around how and where funding can be used and the extent to which funding can or cannot be used to cover the full range of costs associated with service delivery under varying program rules. These conditions can constrain the capacity of providers to flexibly respond to demand in their local community and invest funding efficiently.

The CHSP, for example, currently contracts providers to deliver services within a specified Aged Care Planning Region, which places constraints on where providers can operate.[416] Whilst these Regions are quite large in rural and remote areas, they can be small in metropolitan areas and could be restrictive for providers. For example, of Victoria's nine Aged Care Planning Regions, four are situated in Melbourne.[417] CHSP grant agreements do include a flexibility provision which allows providers to re-allocate funding from one Region to another in response to demand changes. However, this provision can only be used by providers contracted to deliver services in

[413] Queensland Department of Communities, Housing and Digital Economy 2021, *Community Transport Program Guideline DCHDE Version 1.0,* July 2021 p. 10

Australian Department of Health 2020, *Commonwealth Home Support Programme: Program Manual 2020-2022* p. 81

[414] Queensland Department of Communities, Housing and Digital Economy 2021, *Community Transport Program Guideline DCHDE Version 1.0,* July 2021 p. 10

[415] Department of Health (2020) *Commonwealth Home Support Program Data Study*, October 2020, p.24

[416] Australian Department of Health 2020, *Commonwealth Home Support Programme: Program Manual 2020-2022* p. 82

[417] Australian Department of Health 2018, *2018 Vic Aged Care Planning Regions,* https://www.health.gov.au/resources/publications/2018-vic-aged-care-planning-regions

multiple Regions and only in cases where re-allocation would not "leave a service gap in an area they are currently operating in".[418]

The Queensland Community Transport Program similarly targets funding toward the specific service outlets of providers and, while a single provider can hold multiple funding agreements for multiple outlets, funding cannot be transferred between outlets.[419]

Several major programs additionally place conditions on how funding can be used. Most commonly, funding is only able to be used to cover the costs of delivering service outputs (i.e., trips), such as for fuel, wages or supporting technologies. Programs frequently place constraints on the use of funding to pay for or invest in assets (e.g., vehicles or depots), which can limit the ability of community transport providers running asset-intensive operations to operate efficiently.

For example, the CHSP Program Manual explicitly states that "transport providers may only use CHSP funding to lease, rather than purchase vehicles".[420] Similarly, providers contracted by TfNSW to provide NSW Community Transport Program services cannot use their funding to "purchase or lease any vehicles, premises or other assets", while NGO Health Grants restrict the use funding for the purchase of health assets.[421] [422]

In contrast, other programs such as the Queensland CTP provide minimal restrictions around the use of funding, only requiring that client contributions be re-invested into future service delivery.[423]

Inefficient short-term funding

Another challenge emphasised by both community transport providers and other stakeholders was the short-term nature of funding arrangements associated with major Commonwealth programs (such as CHSP). As with other transport organisations and capital-intensive sectors, short-term funding and a lack of funding certainty creates significant challenges for providers in their ability to plan ahead, adopt more efficient long-term approaches to managing assets and operate cost-effectively.

For example, contracts under the CHSP's current funding model typically do not extend beyond a period of two years. While current block funding arrangements give some

[418] Australian Department of Health 2020, *Commonwealth Home Support Programme: Program Manual 2020-2022* p.82

[419] Queensland Department of Communities, Housing and Digital Economy 2021, *Community Transport Program Guideline DCHDE Version 1.0,* July 2021 p.10

Transport for NSW 2017, *Community Transport Program Services Schedule* p.1

[420] Australian Department of Health (2020), *Commonwealth Home Support Programme: Program Manual 2020-2022* p.45

[421] Transport for NSW 2017, *Community Transport Program Services: Schedule 4 – Community Transport Program (CTP) Services* p. 2

[422] Transport for NSW, *Community Transport Service Contract: Schedule 5– NGO Health Grants Program* p.3

[423] Queensland Department of Communities, Housing and Digital Economy 2021, *Community Transport Program Guideline DCHDE Version 1.0,* July 2021 p.8

short-term certainty to contracted community transport providers it does not allow for more strategic mid- to long-term planning.

- *"There's the uncertainty in funds, and how that funding's going to look. We only have a contact until 2022, it's not very long." (community transport provider)*
- *"The Commonwealth has for the last seven or eight years has said, yeah, we'll give you another two years. But they only tell you two months before the two years are up. And of course, you can't do anything strategic in terms of planning beyond those two years. You can't put in place anything… I would love there to be a longer-term contract in place. Whether that's with us or with the providers directly, I understand completely why they find it frustrating." (government stakeholder)*
- *"I think most Commonwealth grants usually only go for about one or two years. I don't think there's any sort of historical reason why we've settled on that time period… So obviously if you've only got a two-year grant, that can be a bit of an issue." (government stakeholder)*

The challenges with this funding arrangement were reinforced by providers engaged in the workshop. Providers especially raised contract terms not permitting asset purchase, or asset leases that could extend beyond the length of contracts.

The short-term nature of contracts mean organisations cannot efficiently fund assets (such as vehicles or depots) – a significant component of their operating costs – or alternatively are forced to enter into longer-term lease arrangements at risk, with no guarantee of future funding, or pursue other funding to be able to acquire assets.

Challenges for providers around the ability to fund substantial capital and infrastructure costs, such as vehicle fleets, under current grant funding arrangements was specifically highlighted by the Aged Care Royal Commission as a key reason for recommending a new social supports category of grant funding in the Commonwealth aged care program.[424]

A separate issue raised by numerous providers around current contracting arrangements was the highly prescriptive nature of contracts. Specific examples raised by providers that were seen by many as not cost-effective, limiting flexibility and stifling opportunities for innovation included:

- An emphasis on output-based rather than outcome or performance-based service contracts, and
- The mandatory use of systems and technologies (e.g., as previously required of NSW-contracted providers).

[424] Royal Commission into Aged Care Quality and Safety (2021) Final Report: Care, Dignity and Respect, Vol. 3A, p.168-169

5.4 Emerging changes to the market

Added to the existing complexities around community transport and wider approaches to transport disadvantage, the context for the sector is also changing, introducing new challenges in terms of increased competition and less certainty over demand and funding. Key developments particularly include:

- Major Commonwealth policy and funding reforms in aged care, following the Aged Care Royal Commission
- An evolving wider transport service ecosystem, incorporating new providers and diversified mobility services.

5.4.1 Funding reforms

Concerns around funding reforms were a prominent issue arising in the research.

Several providers noted the impacts of 'constant reforms' for the sector, which have required constant adaptation to a shifting policy, funding and compliance environment (particularly in the decade since the Productivity Commission's 2011 *Caring for Older Australians* report). As the primary source of funding for community transport services, the changes in the aged care sector over the last decade (such as the transition from HACC to CHSP) have been an ongoing source of pain for many providers.

Some of the challenges noted for providers included staying across changes within an already complex regulatory and funding environment and the costs of adaptation (especially for small not-for-profits). Other issues include transport service providers being exposed to unintended consequences of reforms that may be primarily aimed at types of service other than transport and with limited understanding of how transport works and the implications of reforms for transport services and providers.

The biggest area of concern among providers related to planned Commonwealth reforms to aged care in the wake of the Royal Commission into Aged Care Quality and Safety report published in February 2021. On 11 May 2021, the Department of Health announced that in July 2023 a new Support at Home Program will replace all relevant aged care programs, including the CHSP.[425] The Support at Home Program "will seek to improve the availability of services, with funding following the individual client in most cases".[426]

While many details of the new program are yet to be announced, details of transition arrangements have been announced. These include an automatic one-year extension of all existing CHSP grant agreements to 30 June 2023, as well as an anticipated

[425] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p. 1

[426] Australian Department of Health, *Commonwealth Home Support Programme (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p. 1

change from upfront quarterly payments to payment in arrears by 1 July 2022.[427] Updated interim CHSP contracts are set to be distributed in early 2022 which will transition the program to fixed monthly payment by arrears and introduce a national pricing system, in addition to further reporting requirements. The Department of Health has committed to maintaining levels of funding for each provider by either increasing or decreasing their contracted output levels and indicated that smaller providers will be able to apply for financial supports to ease their transition to new funding arrangements.[428]

Provider concerns expressed in interviews particularly revolved around these proposed reforms to the current CHSP program. Specifically, the shift away from contract-based block grant funding towards a more person-centred funding model, similar to that which operates under the NDIS, was cause for concern among many providers.

The nature and implications of this shift, and some of the key risks raised by the sector associated with this, are discussed below. A key point to note is that this research does not assess the relative merits of the current and proposed funding models but seeks to explain the context and provide an analysis of the findings from the research in terms of the literature and the views expressed by stakeholders.

Block grant and person-centred funding models

Many of the major programs that support the provision of community transport, such as the CHSP and state CTPs, currently subsidise services based on a block grant funding model. This provides a 'block' of funding, typically up front, for delivery of a target number of services over a set time period, with providers required to meet certain conditions or standards of service. Any unspent funds are then recouped by the funding agency through an acquittal process.

Block funding models are regarded by some as necessary to guarantee the continued supply of high-quality services, especially in what may otherwise be a market failure situation, while they can also provide valuable certainty and stability of funding and a degree of autonomy that can facilitate the efficient delivery of services. However, others contend that the model reduces the self-determination of customers and is an inefficient means of distributing public funds.[429]

In contrast, person-centred funding models direct funding to individuals rather than to service providers. These models represent more market-based approaches to funding, aiming to improve individual customer control and choice over how funding is spent, increase the availability of and competition between subsidised services, and reduce

[427] Australian Department of Health, *Commonwealth Home Support Programme (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p. 1

[428] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 29 October 2021

[429] Dew, Angela, Kim Bulkeley, Craig Veitch, Anita Bundy, Michelle Lincoln, Jennie Brentnall, Gisselle Gallego, and Scott Griffiths 2013, "Carer and Service Providers' Experiences of Individual Funding Models for Children with a Disability in Rural and Remote Areas." *Health & social care in the community* 21, no. 4 p. 433.

the overspend of public funds. However, these models are also considered by some to be a threat to smaller providers in the sector, to exacerbate existing administrative burdens, and may reduce customer choice in certain circumstances.[430] In addition, while competition can be an important driver of efficiency and innovation in many parts of the economy, in areas where there are extensive market failures (such as healthcare) competition is not always effective at achieving the desired benefits.[431]

Implications of reforms for community transport

Community transport sector bodies, as well as individual providers and some other stakeholders engaged in this research, have raised several specific concerns regarding the proposed CHSP reforms from a community transport perspective. Primarily, these revolve around:

- Challenges in terms of funding certainty and future sustainability
- Potential risks associated with a competitive market-based funding model

These are discussed further below, and a summary analysis of some of the main benefits and challenges identified in the research related to both block grant and person-centred funding models is provided in Table 7.

In its 2020 position paper on the proposed aged care reforms, ACTA set out a range of what it described as "foreseeable risks" associated with the proposed move to person-centred funding. The risks identified included a weakening of quality standards and controls, increased commercialisation and consolidation of services, reduced consumer choice and greater inequality of access, and reduced funding certainty and ability to manage assets and deliver services efficiently for providers.[432]

Regarding funding certainty and future sustainability, while person-centred models are designed to provide their customers with predictability in funding, they can have the opposite impact on providers (as seen to some extent with the NDIS).[433] Elsewhere ACTA have pointed to similar challenges arising from person-centred programs such as Home Care Packages and NDIS. Under these programs, customers are allocated funding directly and engage transport service providers for trips. While this may enhance choice and control for customers, from a sector perspective it becomes difficult for some providers to base their services on serving these customers because

[430] Dew, Angela, Kim Bulkeley, Craig Veitch, Anita Bundy, Michelle Lincoln, Jennie Brentnall, Gisselle Gallego, and Scott Griffiths 2013, "Carer and Service Providers' Experiences of Individual Funding Models for Children with a Disability in Rural and Remote Areas", *Health & social care in the community,* vol. 21, no. 4 p. 433.

[431] Boxall, A. (2011) What are we doing to ensure the sustainability of the health system? Parliamentary Library, Research Paper No. 4, 2011–12

[432] ACTA (2020) Position paper - Realising wellness and reablement of ageing Australians: the enabling role of community transport and ongoing need for block funding, p.3

[433] Australian Government Productivity Commission 2017, *NDIS Disability Insurance Scheme (NDIS) Costs,* October 2017 p. 439

of the unpredictability of income, with some providers choosing not to pursue customers funded under the NDIS, for example.[434]

Issues around funding certainty and future sustainability were also highlighted in interviews, where providers expressed concerns and noted challenges the sector would likely face in adapting to a new, market-based model:

- *"The moment CHSP cut funding, we won't have service. We're 82% dependant on Government funding." (community transport provider)*
- *"Where the government funding is absolutely critical, and community transport won't survive unless we continue to get government assistance." (community transport provider)*
- *"Community transport has been very stable in the government funded model. And as government looks to change that model, there's no security about how that's going to look for community transport. And so, you don't have the skill sets within those community transport locations to actually deal with changing your business model from a funded model." (community transport provider)*
- *"Even if they said, go and get a social enterprise with a new income stream, I don't know how you'd do that." (community transport provider)*

While the shift to a market-based funding model for aged care services may suit many of the services covered, there are also considered to be other potential unintended consequences and disadvantages to this model from a transport service provision perspective.

One significant area of risk was around greater inequality and potential for systemic failures. For example, under CHSP block funding grants are provided to contracted providers in advance on a quarterly basis to cover the services to be delivered.[435] The pre-payment of funding enables smaller providers or providers in difficult markets to absorb the costs associated with service delivery, which can be particularly impactful in regional or remote areas where the cost of supplying services would otherwise be prohibitively high.[436]

However, in an uncertain funding environment there are risks that providers are more likely to be incentivised to focus their effort on trips that cost less to deliver. This could result in customers with more complex mobility needs or those living in regional and remote areas, whose trips are generally more expensive to provide, becoming deprioritised and find it harder to access services.

For example, a 2018 evaluation of the NDIS found that customers "living in more rural and remote areas were felt to be disadvantaged in their access to appropriate support

[434] ACTA (2021) Reabling Mobility: The Role of Community Transport Report

[435] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p.1

[436] Australian Government Aged Care Financing Authority 2019, *Consideration of the financial impact on home care providers as a result of changes in payment arrangements,* December 2019 p.2 & 14

compared to their metropolitan counterparts", with access to transport services raised as a particular issue.[437]

Some funding agencies have attempted to counter these by offering providers additional financial support. For example, in their assessment of the possible impacts of the HCP transitioning to individualised funding, the Aged Care Financing Authority noted that "the extent to which the new arrangements adversely impact on the viability of providers operating in very thin markets in rural and remote locations may have a significant impact on consumers" and recommended that smaller providers in these areas be offered short-term financial assistance.[438] TfNSW similarly supplied contracted community transport providers an additional fare subsidy (average $10 per trip) between July 2018 and June 2020 to ease their transition to the NDIS.[439]

Similarly, the shift to person-centred funding could risk disadvantaging smaller providers and result in the consolidation of services in fewer, larger providers that might bring opportunities for scale and efficiency benefits but reduce customer choice.[440] This scenario can also contribute to imbalances in market provision and "lead to higher prices, less variety, lower quality services and unmet demand".[441]

For example, in addition to the point above about the advantages of block funding in enabling smaller providers to operate, a shift from contracted funding to invoicing and payment in arrears has been identified as likely to disadvantage smaller providers who may have "limited cash reserves, or a limited capacity to access capital markets".[442] This is in part because programs with person-centred funding models can place a higher administrative burden on providers as they require separate, detailed invoices to be lodged for each individual customer or service provided.[443] This can result in additional costs that smaller providers are least well-placed to absorb.

[437] National Institute of Labour Studies 2018, *Evaluation of the NDIS: Final Report,* Flinders University Adelaide, February 2018 p. 232

[438] Australian Government Aged Care Financing Authority 2019, *Consideration of the financial impact on home care providers as a result of changes in payment arrangements,* December 2019 P. 2 & 14

[439] Transport for NSW 2018, *Legislative Assembly Committee on Community Services Inquiry into access to transport for seniors and disadvantaged people in rural and regional NSW: Report on Implementation of Recommendations,* October 2018p. 15

[440] Australian Government Aged Care Financing Authority 2019, *Consideration of the financial impact on home care providers as a result of changes in payment arrangements,* December 2019 p.15

[441] Australian Government Productivity Commission 2017, *NDIS Disability Insurance Scheme (NDIS) Costs,* October 2017 p. 268

[442] Australian Department of Health, *Commonwealth Home Support Programme (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p.2

[443] National Disability Insurance Scheme, *Getting Paid,* Last updated 14 October 2021 https://www.ndis.gov.au/providers/working-provider/getting-paid

Australian Government Productivity Commission 2017, *NDIS Disability Insurance Scheme (NDIS) Costs,* October 2017 p. 263

For example, during consultation undertaken preceding the 2020 transition of the HCP to payment in arrears, some providers reported that they "may no longer be able to operate due to the inability to pay staff or suppliers before the funds are reimbursed".[444]

Other providers may also pass the costs associated with an increased administrative burden onto customers, which in the same consultation on transition of the HCP the Aged Care Financing Authority predicted could ultimately "reduce the level of goods and services available to the [customer] under a package".[445]

Other risks may relate to assumptions made around market needs and demand, which as described earlier in this report is not well-understood, that result in under-allocations of funding that fail to effectively align the assessment of needs with supply-side planning and delivery. This could leave customers with insufficient funding for transport requiring them to trade-off between essential travel needs such as medical or shopping trips.

As one interviewed government stakeholder noted:

"I think that's one of the major challenges at the moment for community transport is the individualisation of budgets, without at the same time making sure that that amount of money picks up all the elements of the service needed, including transport, and it's listed as a defined amount, it's a critical issue."

[444] Australian Government Aged Care Financing Authority 2019, *Consideration of the financial impact on home care providers as a result of changes in payment arrangements,* December 2019 P. 14

[445] Australian Government Aged Care Financing Authority 2019, *Consideration of the financial impact on home care providers as a result of changes in payment arrangements,* December 2019 p. 15

Table 7 – Summary of benefits and challenges associated with block grant and person-centred funding

	BLOCK-GRANT FUNDING		PERSON-CENTRED FUNDING	
	Benefits	**Challenges**	**Benefits**	**Challenges**
Customers	• Consistency in quality and availability of services • Enhances variety and supply of services available to customers in regional and remote areas • More opportunity and incentive for providers to pool services that facilitate positive opportunities for social interactions	• Limits customer choice to a limited pool of contracted providers • Pre-determined level of service may not always be responsive to changes in demand and lead to under-supply and unmet needs.	• Predictability of funding for customers • Increased customer choice over service providers • Encourages the market for services to respond to what consumers want • Competition for services may incentivise higher service quality standards, lower costs and more innovation	• Risks of under-allocation of funding for transport needs • Potential to favour larger suppliers, promote aggregation and disadvantage smaller suppliers, resulting in fewer competing providers and less choice • Commercial imperatives may result in reduced or unequal supply, quality and/or affordability of services in areas or for some customers deemed less profitable • Removal of contractual oversight and assurance mechanisms may reduce standards or compliance
Providers	• Guarantees funding stability over a defined contract period, enabling a degree of certainty in short-term planning • Facilitates cashflow with up-front grant payments • Enables smaller providers and those in more difficult markets (e.g., regional / remote) to operate • Generally, less burdensome in only requiring negotiation of pricing and terms of service with funding agency	• Short-term contracting and constraints on use of funding limits efficiency • Can still be significant administrative burdens as part of funding conditions, including reporting requirements and funding reconciliation processes • May be inflexible contractual conditions, obligations and standards attached to funding – such as artificial ceilings on number of services or limits on areas where providers can operate	• No limits on service supply or area of operation • May open up greater scope for achieving scale and growth • May reduce regulatory load around compliance requirements	• Risks forcing providers into commercial competition and favours larger providers who can achieve scale • Unpredictability of funding limits forward planning and efficiency, and incentivises short-term management, which may put future service quality and supply at risk • Services more at risk of fluctuations in demand • Payments in arrears and individualised invoicing may disadvantage smaller providers

5.4.2 Evolving transport market

The wider transport sector is also undergoing extensive change with the emergence of new forms of mobility and technology-enabled service models, such as ride-share, on-demand transport and Mobility as a Service.

These innovations and resulting diversification of transport services and choices are changing supply-side dynamics in the transport market, and potentially offer new opportunities to serve the needs of people that experience transport disadvantage (including those who may have previously relied on community transport).

As described by Mulley et. al. (2018): "The vision is to see the whole transport sector as a co-operative, interconnected ecosystem (comprising the transport infrastructure, transportation services, transport information and payment services) providing services reflecting the needs of customers. In this new transport model, the boundaries between different transport modes are blurred or disappear completely."[446]

While this would certainly be positive, it has implications around the future role and integration of community transport within an increasingly diversified and interconnected transport ecosystem, where the distinctions between different modes and types of service start to lose relevance.

Many providers engaged in this research expressed trepidation around the implications of an evolving transport market for the future of community transport.

A particular area of concern was around the long-term viability of community transport providers in an environment where they are forced to compete with major mobility companies offering ride-share or on-demand services, backed by resources and global scale, who focus purely on transport provision and are not subject to the same regulatory burdens, such as Aged Care Quality Standards, and the associated costs.

The feared scenario emerging for some providers would see the base of community transport customers with less complex needs and lower costs of service being whittled away by other mobility providers. This may in part be enabled by a shift from regional operations to customer choice and control, which allowed some other transport service operators to pick up lower cost trips and make it hard for community transport providers to operate efficiently. This would leave community transport providers to only service trips for people with more complex needs that require higher standards of care, which have much higher delivery costs, making financial sustainability impossible and putting the sector at risk – and, by extension, leaving the most vulnerable in society that need community transport without a viable transport option.

However, other providers as well as stakeholders outside the sector acknowledged the challenge but felt this meant a need for the sector itself to step up and find ways to evolve. As one interviewed provider stated:

[446] Mulley, C., Nelson, J.D., Wright, S. (2018) Community transport meets mobility as a service: On the road to a new a flexible future. Research in Transportation Economics. 69, 583-591. https://doi.org/10.1016/j.retrec.2018.02.004

- *"One of the issues that we've got, that we don't and haven't done well, is community transport hasn't marketed itself as well as it could have done or should have done. We're never going to be able to do that and compete with the Ubers and the Lyfts, they're too big. But I think that the challenge for us is making sure that we do stay, from a technology point of view, we've got to keep moving forward with that." (community transport provider)*

5.5 Compliance risks and costs

The fragmented and evolving market also creates challenges and risks around quality and safety standards and compliance, as well as costly administrative burdens for community transport service providers.

5.5.1 Quality and safety compliance and risks

In an inherently high-risk category of service involving many forms of vulnerable user in relatively uncontrolled environments, it is appropriate to establish a range of quality and safety standards, duties of care, clinical supports and other specific requirements for the provision of community transport and equivalent services. These include standards and regulations indicated above, overseen by the Aged Care Quality and Safety Commission, the NDIS Quality and Safeguards Commission and transport regulators in States and Territories.

However, in practice the multi-layered regulatory environment creates challenges for providers in complying with a complex array of obligations and standards, as well as high compliance and administration costs. Smaller, community-based not-for-profit providers with few resources may find it especially difficult to comply and bear the costs involved given the combined extent of requirements. And, as described previously, some providers may therefore choose to 'opt out' of serving some customer cohorts.

Providers particularly emphasised the high regulatory load associated with regimes attached to individual federal funding programs, such as the CHSP and NDIS, and the separate registration, standards, contractual and reporting requirements for each of these – though the added complexity of state regulations, programs and requirements on top of these was also raised. At the same time, other evidence shows that existing systems for monitoring compliance in areas such as aged care are ineffective and in need of reform.[447]

The transition from block funding to person-centred, individualised funding across various sectors (including reforms to aged care funding) also may potentially increase certain risks around quality and safety standards.

For example, a move away from contractual arrangements for services to a competitive market may decrease mechanisms for regulatory oversight.

Individualised funding arrangements may result in customers in need of assisted transport using mainstream transport providers to provide trips. As some community

[447] Aged Care Royal Commission (2021)

transport sector participants in the research noted, under person-centred market-based funding models many customers are primarily concerned with the price of services rather than necessarily being willing to pay for additional service or quality.

Other stakeholders – including user groups and industry organisations – also indicated the impact of technology in facilitating easier access to more mainstream transport services, such as on-demand or ride-share, indicating that digital tools and increased visibility of services may attract customers where those services can meet their needs.

- *"People who use the community transport service providers also are increasingly using our services because I think a lot of their customer base is now quite tech savvy; they're able to use the app to book a ride." (industry stakeholder)*
- *"[Community transport providers] don't have apps. So, as much as Uber is not the best model to follow but that idea of being able to have an app to make your booking, track your journey, keep track of your charges, all those kinds of things." (user representative group)*

However, greater use of mainstream transport providers that would not be captured under or required to comply with quality and safety standards applicable to approved providers under aged care or NDIS regulatory regimes creates potential quality and safety risks around the appropriate care and needs of vulnerable people. As one industry stakeholder noted in interviews:

- *"What we've seen is that the community transport services provider is actually using our on-demand services, also to bring their customers to hubs which is sometimes a bit of a challenge for us because their customer base has specific needs that our drivers are not particularly trained to cater for." (industry stakeholder)*

These risks may include deterioration in quality and safety standards around assets, particularly vehicles. Funding limitations faced by providers already create challenges around managing assets. Research in the UK shows evidence of these challenges experienced by other community transport providers internationally, including:

- The ability to plan and manage the replacement of vehicles as they deteriorated over time, given the high costs involved
- Having acquired vehicles, being able to maintain and keep them on the road.

Whereas under some historic funding arrangements in Australia the costs of vehicles and vehicle modifications may have been effectively covered by funding, individualised funding models may fail to take account of significant capital costs required to acquire, modify, maintain and renew costly assets such as vehicle fleets, as well as costs associated with depreciation of these assets.

Providers and other stakeholders engaged in the research highlighted potential risks of funding pressures, lack of funding certainty and the transition to individualised funding models compromising vehicle quality and safety standards. Examples of potential risks identified for providers included:

- No longer having the funding certainty or cashflow necessary to invest in asset renewal or replacement
- Finding it harder to determine when assets may be in need of renewal

- Keeping deteriorating vehicle assets on the road for longer or increasing reliance on second-hand vehicles.

From a policy perspective, funding reforms that potentially lead to decreased regulatory oversight and increased risks to quality and safety standards from both a care and transport standpoint may require regulators to re-examine how community transport is regulated, including exemptions from certain transport regulatory requirements.

5.5.2 Costs of compliance and administration

Another significant area of concern for providers arising from regulatory complexity related to the high burden and costs involved with administration and compliance, as well as the challenges involved in adapting to frequent policy and funding reforms.

For example, to receive a CHSP grant, community transport providers must become an approved aged care provider. This includes requirements to undertake an initial application process with the ACQSC, as well as taking part in a site visit and self-assessment as part of a quality review audit at least every three years. There is a fee attached to participating in ACQSC's application process; however, providers can apply to have this fee waived if they are planning to provide at least 85% of their services in a remote or very remote area.[448]

Currently, providers receiving funding to deliver CHSP transport services are contracted under fixed-term, individual service-level grant agreements which typically span one to two years.[449] The subsidised cost of providing services and the number of services to be delivered during the grant term is individually agreed upon between the Department of Health and each contracted provider and codified in a unique CHSP Grant Agreement.[450] In most states, these contracts are managed directly by the Department, except in NSW where Transport for NSW issues and administers CHSP grant agreements on the Department's behalf.[451]

Grants are paid in quarterly advance payments, with any unspent funds due to overestimated demand recouped through an annual acquittal process.[452] Service providers independently determine any fees charged to customers, with reference to the Department of Health's *Client Contribution Framework,* including hardship fee waivers.[453] The NSW and Queensland Community Transport Programs operate in a

[448] Aged Care Quality & Safety Commission, *Becoming an approved aged care provider,* https://www.agedcarequality.gov.au/providers/becoming-approved-aged-care-provider#application-fees-waiver

[449] Australian Department of Health 2020, *Commonwealth Home Support Programme: Program Manual 2020-2022* p. 81

[450] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p. 1

[451] Transport for NSW 2020, *Transport for New South Wales: Annual Report 2018-19* p. 82; Transport for NSW 2017, *Community Transport Program Services Schedule* p. 1

[452] Australian Department of Health, *Commonwealth Home Support Program (CHSP) – Payment in Arrears and Unit Pricing Fact Sheet,* 16 July 2021 p. 1

[453] Australian Department of Health 2015, *National Guide to the CHSP Client Contribution Framework,* October 2015 p. 6

similar way, requiring individual pricing and contract negotiations, with unspent block funding recouped via an annual acquittal process.[454]

All providers contracted to deliver CHSP services must also comply with the *CHSP Police Certificate Guidelines* and submit a biannual Performance/Service Delivery Report and Financial Declaration through the Department of Social Services' Data Exchange (DEX).[455]

Similarly to CHSP providers, community transport providers seeking to deliver services to the 52% of NDIS customers that have their plan managed by the NDIA must first be registered with the NDIS Quality and Safeguards Commission (NDIS-QSC).[456] To obtain and maintain NDIS-QSC registration, providers must meet a suite of requirements, including compliance with the *NDIS Practice Standards* and the *NDIS Code of Conduct*, which is verified through an independent audit every three years.[457] Unregistered NDIS providers are also required to meet the *NDIS Code of Conduct,* and the worker screening standards of their relevant state or territory Worker Screening Unit.[458]

In contrast to CHSP grant funding arrangements, the NDIS operates on a person-centred funding model meaning funding is distributed to individuals to use on the services they choose, and there is no unified grant agreement awarded to providers. Instead, providers must submit detailed invoices within 90 days of each service they deliver to NDIS customers to be paid in arrears.

This is further complicated by the fact that the NDIS allows customers to manage their funding plans in three different ways, which means providers may need to request and receive payment through various mechanisms depending on each individual customer:

- NDIA-management: approximately 52% of NDIS customers elect to have their plan managed by the NDIA, requiring providers to submit a payment request through the myplace provider portal.[459] Providers are further required to register with the NDIA if providing services to NDIA managed customers, as described above.

[454] Queensland Department of Communities, Housing and Digital Economy 2021, *Community Transport Program Guideline DCHDE Version 1.0,* July 2021 p. 10

[455] Australian Department of Health 2020, *Commonwealth Home Support Programme: Program Manual 2020-2022* p. 71 & 74 & 80

[456] National Disability Insurance Agency 2021, *NDIS Quarterly Report to Disability Ministers: June 2021* p. 75

National Disability Insurance Scheme, *Getting Paid,* Last updated 14 October 2021 https://www.ndis.gov.au/providers/working-provider/getting-paid

[457] NDIS Quality and Safeguards Commission, *NDIS Quality and Safeguards Commission: what does this mean for providers?*

[458] NDIS Quality and Safeguards Commission, *Unregistered Providers,* https://www.ndiscommission.gov.au/providers/unregistered-providers

[459] National Disability Insurance Agency 2021, *NDIS Quarterly Report to Disability Ministers: June 2021* p. 75

National Disability Insurance Scheme, *Getting Paid,* Last updated 14 October 2021 https://www.ndis.gov.au/providers/working-provider/getting-paid

- Plan-management: approximately 36% of all NDIS customers elect to have their plan managed by a third-party private plan manager, requiring providers to invoice and receive payment directly from the plan manager. Preferred processes may vary significantly across organisations.
- Self-management: approximately 12% of all NDIS customers manage their plan independently, requiring providers to invoice and receive payment from the participant directly. There may also be variation in the ways that each individual customer prefers that this process be managed.

As with the CHSP, providers set their own fees for recovering a portion of costs for transport services under the NDIS. However, the means through which these prices are negotiated varies by transport support type, as well as by plan-management style. Whilst the NDIA publishes pricing limits for many supports to "help ensure that participants receive value for money when they purchase the supports that they need", there are currently no specified pricing limits for any transport support types.[460] Costs are determined by agreement between provider and each individual customer, plan manager or the NDIA depending on the customer receiving the service, with reference to notional pricing laid in out in the *NDIS Support Catalogue.*[461]

Figure 22 below provides a simplified illustration of some of the administrative complexities for providers associated with selected programs for providers in two jurisdictions (QLD and NSW), including CHSP, the NDIS as the relevant state community transport funding programs.

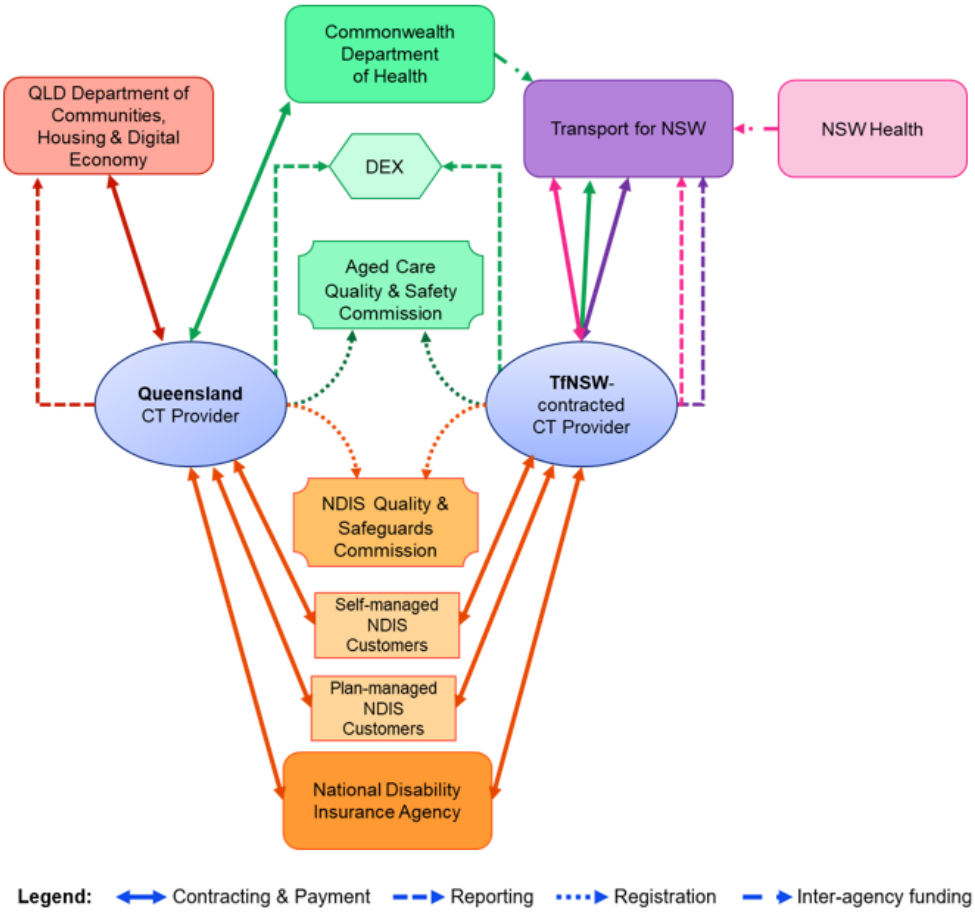
Community transport providers in NSW operate under a unique compliance and administrative environment where Transport for NSW administers all contracting for the CHSP, the state's Community Transport Program and additional NSW Health grants via the NGO Health Grants Program through a single service agreement. This combined contract includes a general schedule that outlines requirements that apply across all programs and a set of separate schedules detailing additional requirements for each specific program. In contrast, community transport providers in QLD – the only other state with a dedicated, general Community Transport Program, administered by the Department of Communities, Housing and Digital Economy rather than the state's transport agency – operate in a similar environment to other jurisdictions, where contracting and administrative arrangements are separate for each funding program.

The streamlined single contracting approach adopted in NSW aims to minimise some reporting and administration requirements placed on providers by combining contracting across three funding programs with one agency and requiring one set of financial reports. This means most reporting is submitted through a single channel, though TfNSW-contracted providers must still submit separate CHSP Performance and Service Delivery Reports though the Department of Health's DEX and comply with ACQSC auditing processes.

[460] National Disability Insurance Scheme 2021, *NDIS Pricing Arrangements and Price Limits 2021-22 Version 2.1* p. 8

[461] National Disability Insurance Scheme 2021, *NDIS Pricing Arrangements and Price Limits 2021-22 Version 2.1* p. 8 & 56

Figure 22 – Illustration of administrative requirements in QLD and NSW



Source: IPPG

Nevertheless, NSW providers engaged in the research reported that administrative and compliance requirements were "significant" and "complex" and place a substantive burden on resources. TfNSW-contracted providers are currently required to submit between 4 and 9 reports a year, depending on the mix of programs they are contracted to deliver services under. This includes a set of base reports applicable across all three programs an Independently Audited Financial Report, and Audited Financial Acquittal Report, an Annual Compliance Return and, if a serious incident occurs, a Safety Report.[462]

In QLD, contracting and administration for different programs happens in parallel. While providers can only be directly contracted under two major block-funded programs, they must negotiate contracting, pricing and service levels separately with each funding agency. Although community transport providers may be able to receive funding to provide transport services under the Queensland Community Support Scheme (QCSS), it appears that this is only indirectly through sub-contracting or brokerage

[462] Transport for NSW, *Community Transport Service Contract: Schedule 7 – Reporting Requirements* p. 3-5

arrangements with QCSS providers who remain responsible for all compliance and administrative requirements.[463] In addition, providers are required to compile separate sets of financial reports for each program that are submitted through the different systems of each relevant funding agency.

Navigating the compliance, administration and reporting requirements across multiple complex programs and regimes is challenging for providers, especially for smaller, community-based not-for-profit organisations with fewer resources. Examples of points raised by providers engaged in the research included:

- National programs with state overlays create additional costs
- Significant, complex reporting requirements
- Jurisdictional requirements or differences that dictate technology that needs to be used and limits the scope for innovation.

For example, one provider noted that requirements to compile reports based on the differing templates of the various funding agencies (such as technical specifications required of client management systems to support system-to-system transfer of CHSP reporting) [464] dictates software solutions that providers can invest in to record service data and grant expenditure.

5.6 Collective capacity of the sector

5.6.1 A diverse and disaggregated sector

The community transport sector comprises a large number of providers, operating in different locations and as a highly diverse range of organisation types – ranging from small community-based not-for-profit organisations to large providers with substantial fleets covering wide service areas.

This diversity and disaggregation creates challenges for the sector's ability to act cohesively and strategically, advocate for itself and speak with a strong, unified voice about its issues and priorities. It may equally make it harder for other stakeholders, such as government agencies, to understand and engage effectively with the needs of a diverse and disaggregated community of operators. Providers participating in the research especially highlighted issues around:

- A lack of engagement and consultation between government and the sector
- Specific challenges in being able to easily engage with government, with the relationship seen as a one-way compliance/reporting relationship
- Across jurisdictions, community transport has been 'invisible' and needs to be better understood

[463] Queensland Government, *Queensland Community Support Scheme: Program Manual,* p. 32

[464] Australian Department of Health 2020, Commonwealth Home Support Programme: Program Manual 2020-2022 p. 71 & 74 & 84

- The sector needs to improve advocacy and be more vocal and visible about the sector, where this fits into government, the importance of the services it provides and the outcomes this supports.

Another prominent issue raised by a range of community transport providers and other stakeholders through this research was a broader lack of visibility or awareness of the sector and the challenges this can create around forming partnerships.

While many of the providers interviewed already worked in partnership with other health, transport or community services, some respondents highlighted struggles in forming these partnerships because "they don't know we exist."

Others saw both missed and future opportunities for establishing better connections and partnerships with different parts of the transport sector and improving the integration of community transport with other forms of public transport, as well as with other services and community needs.

One example referenced related to COVID-19 and the vaccine roll-out, where more than one community transport provider highlighted the sector's front-line position and willingness to help with the pandemic response but came up against a lack of communication and inability to find ways into government to collaborate.

5.6.2 Workforce challenges

Within the community transport sector, as with most organisations staffing represents a significant source of operating costs. As mentioned earlier in the report, the significant levels of training required for staff providing services and care to customers in the context of quality and safety standards and obligations are also a major cost.

However, several providers engaged in interviews and workshops highlighted workforce challenges facing the sector, including high levels of staff turnover that results in lack of continuity in terms of skills and training and impacts the connections formed between providers and customers that are a key part of the care relationship.

Section 3.4.5 also describes evidence around the vital role of volunteers in community transport and some of the benefits this model offers, such as more cost-effective service delivery – but this reliance on volunteers also brings a variety of challenges for the sector highlighted in previous literature and in discussion with providers.

One key challenge referred to by research participants from the sector was the ability for providers to recruit and retain volunteers, particularly due to many volunteers being older and reaching a point where they are less willing or able to continue.

As some providers interviewed stated:

- *"The volunteer cohort that anyone pulls through is quite often people over 55. A lot of my drivers are driving clients the same age, between 55 and 70 is my driver volunteer pool." (community transport provider)*
- *"That's another area with volunteers, they get to the stage, they can't drive anymore. And that's really difficult for me to have that conversation with them that they can't drive, because a lot of volunteers have made it their life." (community transport provider)*

These comments reinforced the ongoing nature of previously identified workforce challenges, such as those noted in the 2014 review of HACC Community Transport:

- "Service providers and client/advocacy agencies consider that it will become increasingly difficult to recruit and retain volunteers." [465]
- "Volunteers are ageing and that most providers consider that a lack of new volunteers will be a major threat to the future delivery of CHSP Transport." [466]

Statistics from the Australian Institute of Health and Welfare based on ABS Census data also show that the level of involvement in volunteering reduces as people get older. Rates of volunteering were 24% for people aged 65-74 years, dropping to 19% for those aged 75–84 and down to 8% for people 85 years and over.[467]

A further challenge of the dependence of the sector on volunteers relates to the volunteer-heavy workforce potentially limiting the capacity of the sector to pivot or gear up for the growing demand challenges described in chapter 2.

This includes responding to the overall scale of this demand and the ability to attract higher levels of volunteers to do so cost-effectively, when recruiting volunteers is already challenging. In addition, it includes the challenge of being able to attract volunteers to support services in more remote regions where the population below 64 years old may be falling while older populations that are more likely to need support and less likely to volunteer are increasing (as indicated in section 2.4.3).

Again, these ongoing issues for the future workforce have been raised previously in the 2014 HACC community transport review, which stated:

- "Factors that require careful consideration include how a sector so dependent on volunteers and services delivered by small community organisations will be able to respond to this unprecedented demand." [468]
- "Increasing numbers of clients with high support needs may require more specialised staff to aid transportation – volunteers may not be as well suited to this role as trained and dedicated staff." [469]

[465] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.40

[466] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.42

[467] Australian Institute of Health and Welfare (2018) *Older Australia at a glance: civic and social participation.* https://www.aihw.gov.au/reports/older-people/older-australia-at-a-glance/contents/social-economic-engagement/civic-social-participation Based on ABS 2016 Census data.

[468] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.10

[469] Verso Consulting (2014) National Review of Community Transport under the Commonwealth HACC Program: Final Report, p.41

5.7 Implications and barriers for innovation

Many of the challenges detailed above have implications for the ability of community transport to innovate. While by no means an exhaustive list, particular examples include barriers to innovation around:

- Funding and resources
- Challenges of scale
- Regulation
- Sector capacity and readiness
- Customer barriers
- Technology solutions not aligned to sector needs.

5.7.1 Funding and resource barriers

One of the most prominent barriers to innovation for community transport identified in the research was around funding constraints and the high costs associated with implementation of new technologies.

Challenges with levels and certainty of funding that many providers face means the costs of technology can be prohibitive for providers. This was an issue highlighted by community transport providers and other stakeholders in interviews:

- *"Funding, resources, time… We have limited time to spend on anything other than what we're already doing." (community transport provider)*
- *"Organisations are innovating all the time, but the demand on them is so high, that in the end just trying to deliver what you need to deliver is the priority. So that makes it harder, I think, to innovate." (community transport provider)*
- *"It's definitely cost, is a lot of the driving factor as to how much technology is used." (industry stakeholder)*
- *"We certainly share an aspiration to drive fleets that are environmentally friendly and fuel efficient… To take advantage of that…, one has to have fairly deep pockets." (community transport provider)*

This was reinforced by providers at the workshop, who noted that the ability to pursue opportunities to innovate always came down to cost and the financial investment required.

Sustainable adoption of innovative solutions depends on continuity of funding and efforts from providers to acquire and implement them successfully. Both providers and industry stakeholders participating in the research have highlighted that the fragmented nature and increasing levels of uncertainty about funding makes it difficult for individual providers, and the sector, to operate efficiently and engage with innovation and new technologies.

5.7.2 Challenges of scale

Another barrier faced by community transport providers in adopting innovative solutions is that many are small compared to most mainstream transport service providers, and on their own lack the necessary scale to make investing in technology cost-effective.

This was particularly highlighted by industry stakeholders interviewed:

- *"I don't know how much the community transport service providers can actually bear these types of costs. These technologies aren't cheap…. We carry larger volumes of people, and we try to make up for the cost of the technology through the volume of trips. I don't know if they will ever have the volume to reduce the cost per trip." (Industry stakeholder)*
- *"On the bigger community groups and there's a number, you know, there's a number of trips to a number of vehicles where it makes sense and they can actually save money. But in the smaller groups, I think the barriers are those individual groups struggle to make the commercial case. So, unless they can get funding for the system or unless we can work more closely with the administrators of the funding to join groups together, it's hard to do that." (industry stakeholder)*
- *"[community transport providers] have much smaller vehicle fleets than we have which we can reach – there's a sense of scale." (industry stakeholder)*

5.7.3 Sector capacity and readiness

Although there are many positive examples of beneficial innovation and technology adoption in the sector, including those described in chapter 4, evidence from the research indicates variations and differing perceptions among stakeholders of the capacity for innovation and readiness for technology adoption within the community transport sector.

In particular, there remain challenges for some providers in terms of attitudes to innovation as well as potential barriers around the capacity required to introduce and implement innovative solutions effectively.

At the moment, many providers may only have adopted technology because of requirements to do so and this can mean attitudes towards it is often compromised from the start. New technology may not always be seen as an improvement or solution to a problem, but as an additional burden that requires a commitment of already scarce resources to comply with.

A range of stakeholders interviewed described perceived cultural and attitudinal barriers to innovation and change among community transport organisations and staff:

- *"There are people who are change-resistant, that's for sure." (community transport provider)*
- *"Staff, people on the ground don't adapt to change very well, they like what they know and they're comfortable." (Industry stakeholder)*
- *"Too many organisations are too prepared to just beat the same drum of lack of finances and lack of funding from government. So, they're hesitant to innovate, because there's not much funding and also because they're just a bit scared to break out of what they're used to." (community transport provider)*

- *"I think that there would need to be some changes around the philosophy of the service if they were going to embrace some of these new technologies." (user representative group)*
- *"The ability to innovate comes from – some people will take people that are innovating and learn from them, and follow them, and try and emulate them or copy them. There are other people who will take the opposite view." (community transport provider)*

There are also potential barriers for providers associated with the need for intensive upskilling to implement new innovative technologies, which may be particularly challenging for organisations with a substantial volunteer workforce.

As previous research has shown: "Many of the dynamic vehicle scheduling and real time tracking systems… are both expensive to implement (in capital and on-going cost terms) and are potentially difficult to use in an environment where volunteers may undertake some part of these tasks".[470]

Some industry stakeholders noted the relatively intensive training required for successfully rolling out new technologies to streamline community transport services, as well as potential challenges for providers to commit to this where it relies on volunteers who may not be 'tech savvy' or not be able to commit the time required.

More broadly, some of the issues cited in previous sections of the report associated with the diverse and disaggregated nature of the community transport sector, may also create barriers to innovation.

This includes, for example, a lack of visibility or awareness among potential partners in other sectors and difficulties in forming partnerships, which may make it challenging to identify or capitalise on opportunities to innovate. This may also compound challenges associated with the lack of scale of many providers by making it difficult to explore options to integrate or aggregate in ways that may make innovative solutions viable.

5.7.4 Customer barriers

Stakeholders also expressed varying perceptions of customer readiness and challenges around technology adoption. The key themes emerging around customers related to perceptions of customer resistance or readiness for new technology, as well as genuine barriers to innovation, use or adaptation for some customer needs – for example due to a physical or a cognitive impairment, or limitations of the technology solutions themselves.

Several community transport providers in interviews and the workshop referred to perceived customer resistance as a legitimate barrier to further innovation. Workshop attendees noted that many customers do not use or own smartphones while some providers already struggle to get some customers to pay using credit cards. This was also reinforced by some comments from interviewees – for example:

[470] Mulley, C. & Nelson, J. (2012) Recent Developments in Community Transport Provision: Comparative Experience from Britain and Australia, p.1820. In: Procedia - Social and Behavioral Sciences, Volume 48, 2012, Pages 1815-1825, ISSN 1877-0428, https://doi.org/10.1016/j.sbspro.2012.06.1156.

- *"A lot of our clients are change-resistant. And a lot of our clients just simply don't have the capacity to… you're talking about people that have rang up and used a phone for 60, 70 years. To all of a sudden go, oh, now you need to book online through an app…" (community transport provider)*
- *"If your clients don't have that ability or the skills or the hardware itself, it makes it pretty hard." (community transport provider)*
- *"As much as everyone wants everyone to use technology, the reality is our clients don't use it." (community transport provider)*
- *"Certainly got your early adopters, and they tend to be sort of younger and more comfortable with technology. And then you may have older individuals or people that are resistant or just people that don't have access to technology." (Government stakeholder)*

A 2020 report by the Commissioner for Senior Victorians also identified that "while some [older people] are comfortable using technology, many others require additional support."[471]

However, some interviewed stakeholders also indicated a relatively high level of readiness and appetite for innovative solutions among customers. This included industry stakeholders, who noted that many community transport customers are "now quite tech savvy" or that the ageing population is more technologically competent that most people believe and "can be more independent if we give them tools". These views were echoed by a range of respondents:

- *"I think the users we probably don't give enough credit for. We went cashless a few years ago, to much uproar, at the beginning. Because often little old ladies like to pay for things in cash when they do it. But we, sort of — I remember it was a little bit visionary, it was by accident… And we, sort of, coach people through Internet banking and all that sort of thing to pay their invoices. So, I think there's an appetite for people to learn about technology." (community transport provider)*
- *"A lot of [community transport services] I know you can't book online, you gotta call or you would have to send an email. They don't have apps… but that idea of being able to have an app to make your booking, track your journey, keep track of your charges, all those kinds of things, yeah." (user representative group)*
- *"Even now, a lot of the providers will tell us that their clients don't like technology. But I think the last 18 months has shown with check-in apps, everybody now needs a smartphone and a checking app to get around the community. So that's really pushed some of the typical users either through their barriers around intellectual age, mobility, et cetera, they've now been forced almost to start using smartphones more in their daily lives." (industry stakeholder)*
- *"I do know that people with disabilities that a lot of them the Uber-style on-demand transport has been great, so really yeah, I guess if community transport took a more on-demand way of looking at things then it may make it easier for people with disabilities to actually get out and use them." (user representative group)*

[471] Commissioner for Senior Victorians (2020) Ageing Well In A Changing World: Summary Report, p.5

- *"The 50-year-olds today who use iPhones will be our 60 and 70-year-olds, so we need to move this quite quickly." (industry stakeholder)*

While there was strong evidence from stakeholders of readiness for new technologies for many customers, research participants and previous research also acknowledge that there are still significant accessibility or other customer barriers that will mean the introduction of new technologies will not necessarily be able to meet all needs. [472]

As several interviewees expressed:

- *"You will always have those in the community for whom it may be more difficult to adapt." (user representative group)*
- *"The complexity of the user requirements and what that means in terms of building technology systems to support it, it from our perspective one of the challenges and barriers" (industry stakeholder)*
- *"In terms of the problem of getting two ambulant clients from a home to a day program, I don't think there's too much that you can innovate." (user representative group)*
- *"Client use of technology is problematic – including undiagnosed early-stage dementia." (community transport provider – workshop participant)*

5.7.5 Technology solutions not aligned to needs

Other potential barriers faced by community transport in adopting innovative solutions include both challenges around, and previous negative experiences of, technology solutions that do not meet the needs of community transport providers.

The regulatory environment, as described in earlier parts of this report, highlights the multi-layered complexity of regulatory compliance, reporting and administrative requirements that providers are subject to. This in itself can be constraining and limit flexibility to innovate.

As noted earlier in section 5.5.2, for example, providers may be forced to adhere to prescriptive templates or technical specifications that may limit the scope for innovation around technology solutions.

Contracting arrangements with providers have previously also established prescriptive requirements around technology use. For example, until recently contracts between Transport for NSW and NSW-based providers required the use of a specific software solution, though these requirements are now being relaxed in response to feedback from community transport providers about the desire for more scope to innovate.[473]

Some providers cited previous negative experiences with implementing innovative technology solutions that were not fit-for-purpose and may make some hesitant to innovate:

[472] Giampapa, J., Steinfeld, A., Teves, E., Dia, M. & Rubinstein, Z. (2017) Accessible Transportation Technologies Research Initiatives (ATTRI): Innovation Scan, The Robotics Institute, Carnegie Mellon University, April 2017, p.42

[473] Transport for NSW (2021) Community Transport Service Contract 2021-22 Guide

- *"In terms of the program that we use… it was supposed to be this great program…. It was supposed to be an automated system that would learn from previous trips, and sort of build on that and you wouldn't have to manually schedule any trips and things like that…that backfired… I mean, it was a great idea, but there just wasn't enough resources behind it." (community transport provider)*
- *"Existing tools don't schedule correctly." (community transport provider – workshop participant)*
- *"Off-the-shelf or a hybrid model, which is what everyone seems to do, they bastardise something that wasn't built for what we're looking for." (community transport provider)*
- *"You have organisations who have invested a lot of money in software that, to their belief, doesn't meet their needs." (community transport provider)*
- *"They based the technology on another platform that works somewhere else, that technology doesn't actually suit what we're doing here… So, it's created more problems, it's upset the community and the people that are using the bus… It's made it more difficult and more uncomfortable for the customers, so we're trying to get them to turn that around." (government stakeholder)*
- *"If you can do it well and build something that people want, then you're likely to be successful, but there's a pretty high barrier of entry just because of the complexity of building it." (industry stakeholder)*

Other providers engaged in workshops also pointed to examples of software tools that provide 'one-size-fits-all' solutions, which are not suited to the needs of providers, have been seen as creating more problems than they solve and often resulted in failed implementations, financial losses and frustration among staff.

Further feedback from stakeholders notes that some innovations may not be appropriate or cost-effective for certain customers, especially those with high-care needs. For example, one workshop participant described the high costs associated with flexible on-demand transport services, and the time (as well as training) required to provide mobility assistance for high-needs customers, meaning that these types of service may primarily be useful to complement transport services for non-high needs customers but may not be suitable for replacing transport services that can cater for more specialised needs.

6 Opportunities for systemic and service innovation

6.1 Introduction

This research has described the complex nature of transport disadvantage and presented evidence of the significant and imminent challenges ahead around growing and changing community needs for transport assistance, as well as the current fragmented approach to providing support to people who need transport assistance.

The report has also identified the important function and benefits that community transport and equivalent services provide at the front line of care in the community – in tackling transport disadvantage, supporting vulnerable people with a sliding scale of mobility needs, and as an enabler for policy goals and programs across transport, aged care, disability, health and community services.

As a community-based service that has developed and evolved organically in response to policy reforms and funding programs, the research has highlighted a range of existing and emerging challenges facing the community transport sector, which also impact the effectiveness of broader strategies for tackling transport disadvantage.

Key issues include:

- A limited strategic understanding and evidence base around transport disadvantage, current unmet demands and future needs
- Siloed, rather than systemic, responses to transport disadvantage, which creates barriers to access for customers as well as barriers to efficiency, integration and innovation for community transport service providers
- An evolving operating context, with policy and funding reforms heralding increased market-based competition, together with wider changes and innovations in the transport and mobility market. These changes bring a range of opportunities but also potential risks to future choice, availability and viability of services, as well as regulatory implications for ensuring standards are maintained and improved
- A diverse and disaggregated community transport sector that will need to adapt to meet these challenges, but which alone is also not able to overcome systemic barriers and issues that are likely to require some level of government intervention.

6.2 Overview

Based on the research, there are opportunities to improve their understanding of the issues around transport disadvantage and adopt more holistic approaches to provide for the transport mobility needs of the most vulnerable in our community.

This includes major potential roles for technology and service innovation as well as partnerships in facilitating both system-wide changes and benefits to individual service providers and their customers.

This final section of the report identifies potential opportunities emerging from the research that are suggested as areas to be explored individually and in collaboration by government, service providers and wider industry, encompassing:

- **Opportunities for systemic innovation:** to explore more holistic approaches to tackling transport disadvantage, including more integrated approaches to planning, funding and services within and across sectors, and
- **Opportunities for service-level innovation:** to explore ways to harness the benefits of, and create the enabling conditions for, technology and service-level innovation within the community transport and wider community services sector.

Taken together, these opportunities emphasise that the future of community transport:

- Should be viewed as an important and integrated component of a systemic response to transport disadvantage and associated community needs
- Can be strengthened by more coordinated and innovative approaches to policy, funding, planning and service delivery that can help mitigate some of the key systemic challenges and barriers to innovation facing the sector
- Can benefit significantly from technology and service innovation, where community transport providers individually and collectively are able to step up to current and emerging challenges, and where this can be facilitated through effective collaboration, partnerships, integration and aggregation.

6.3 Opportunities for systemic innovation

UNDERSTANDING NEEDS	
Key finding: Transport disadvantage is a complex and growing problem, but significant data and evidence gaps exist on current and future community needs associated with disadvantage, which need to be addressed to inform more holistic and responsive strategies	• **Opportunity** to pursue research and data-driven insights to provide more meaningful, ongoing data and strategic evidence on transport disadvantage and changing needs. This would include for key existing community transport user groups as well as other groups that may currently fall outside of dedicated policies, programs or eligibility for funded support
	• **Opportunity** to use this evidence to better inform and enable proactive whole-of-government assessments of strategic options for meeting community needs for transport support that can better address existing gaps and are responsive to changes in demand (as well as an understanding of the system costs of not meeting these needs)
POLICY COORDINATION	
Key finding: There are currently highly fragmented approaches to policy, regulation and funding of services across policy siloes and levels of government to address similar customer needs for assisted mobility	• **Opportunity** to strengthen policy coordination, collaboration and information sharing across state and territory government agencies to facilitate and ensure joined up policy responses to intersecting customers and issues associated with transport disadvantage and assisted mobility within each jurisdiction
	• **Opportunity** for more integrated approaches within states and territories to provide a holistic policy platform on all aspects of transport disadvantage for policy engagement with other jurisdictions and the Commonwealth Government. For example, opportunities to better coordinate and integrate issues around mobility as part of strategy and reforms recommended by the Aged Care Royal Commission to develop integrated systems for long-term support and care of older people
Key finding: Service providers (and technology solutions) are often structured to	• **Opportunity** to explore development of a standardised framework of assisted mobility needs and transport services to provide a consistent, streamlined categorisation of user needs across different service types. This may help in enabling:

respond to fragmented policies, programs and regulatory requirements, which increases regulatory complexity and prevents delivery of efficient and integrated services to customers	• Clarity from a policy perspective around the scope for different needs to be appropriately met by different type of transport service, and inform approaches to regulation of services • Certainty for providers around applicable regulatory requirements, standards and eligibility assessment in serving different user types and needs, with the potential ability to integrate services/supports and streamline compliance and administration across multiple programs • Certainty and consistency for wider industry in developing technology solutions that can underpin more streamlined, integrated approaches to service delivery and administration
GOVERNANCE	
Key finding: Transport disadvantage is complex, cuts across numerous policy areas and lacks a specific focal point. This also means community transport struggles to engage effectively with government	• **Opportunity** to explore governance options within jurisdictions that can support policy coordination across agencies, and better engage and give a stronger voice to key transport disadvantaged user groups and community transport service providers, to inform policy development. Jurisdictions could examine a spectrum of options ranging from regular, structured stakeholder engagement through to a dedicated entity that can provide strategic focus on the complexity and cross-sectoral challenges of transport disadvantage – for example, such as a Commissioner for Transport Disadvantage (similar to Mental Health Commissioners), which could focus on issues such as: • Customer protection: Safeguarding the rights of transport disadvantaged people to access safe, high quality transport services • Coordination and collaboration: Coordinating policy, funding and regulatory responses across siloes • Technology solutions: Bringing together customers, service providers and technology providers to facilitate collaborative technology solutions • Workforce planning: Addressing future workforce challenges for community transport and building capacity and readiness of the sector for technology • Data and performance: Overarching monitoring and reporting on the performance of sector

MARKET OVERSIGHT AND STEWARDSHIP	
Key finding: Emerging changes to regulation and funding (e.g., in aged care), as well as the wider mobility market, creates potential risks that will require active monitoring	• **Opportunity** to proactively put in place the means to identify, assess and respond to potential risks of an evolving competition-based market for community transport services, such as service gaps, variable service quality and safety standards and compliance, and emerging market failures. Options may include, for example, developing outcome-based approaches for monitoring the performance of the sector

Key finding:
The fragmented ecosystem creates systemic challenges to an effective market – many customers experience barriers to access services, while providers face challenges in complying with multiple regulatory regimes and offering integrated services
	• **Opportunity** to explore potential government-led policy and/or technology options that could be promoted or applied at a system-wide level to:
	  • Enhance customer awareness, visibility and reach of community transport services
	  • Streamline customer access to services and integrate available supports to reduce barriers and pain points
	  • Modernise services and lift standards

FUNDING	
Key finding: There is very limited understanding of the current costs and benefits of service delivery and how this may impact future viability of services to meet community needs under current policy and funding settings	• **Opportunity** to address the current gap in evidence and understanding of the costs and benefits of service delivery of community transport in different settings (e.g., metro, inner/outer regional and remote)
	• **Opportunity** to use improved evidence on costs and benefits to inform evidence-based assessments of potential system costs of addressing (or failing to address) community needs, identify funding gaps/needs and potential cases for policy action or investment to meet current and future community needs

Key finding: Current funding arrangements for community transport and assisted mobility more broadly are highly fragmented within policy siloes	• **Opportunity** to explore the potential to align/consolidate disparate funding streams between different agencies (e.g., within or across states and territories) where this can maximise efficient use of funding or integration of delivery across programs and user needs

Key finding:
 	
Community transport providers run asset-intensive operations but generally face a lack of certainty and stability of funding (expected to worsen under proposed aged care funding reforms), which makes it hard to operate efficiently and limits scope for innovation
	• **Opportunity** to explore innovative policy and funding mechanisms within jurisdictions that could support the community transport sector to improve opportunities for efficiency and innovation. This could include a range of options, such as:
	  • Exploring state and territory funding options that allocate funding to providers on a contractual basis over longer (3-5 year) terms, potentially linked to/consistent with regional, place-based approaches to transport service provision
	  • Exploring the scope for greater financial flexibility for providers over the use of grant monies (e.g., enabling funding to be used towards asset or technology costs)
	  • Exploring options to establish state-wide coordinated models for procurement or management of transport assets (e.g., vehicles), co-development of technology solutions or access to capital for providers. This may particularly benefit smaller providers that lack scale by aggregating needs, de-risking investment and enabling economies of scale

INCLUSIVE APPROACHES TO INTEGRATED TRANSPORT	
Key finding: People experiencing transport disadvantage and complex mobility needs are an increasingly large part of the transport customer base – and catering for these customers' needs to be better integrated into transport planning and system design at all levels from the start, including	• **Opportunity** to recognise more explicitly that a major and growing proportion of transport customers will comprise people experiencing transport disadvantage and complex needs, and factor this into strategic transport policy and planning responses that embed these into the design of the transport system from the start, rather than as a 'bolt-on', and accelerate efforts towards the universal design of public transport services.
	• **Opportunity** to improve regional and local place-based planning of transport and other infrastructure and services to be inclusive of customers with complex needs and disadvantage and actively consider and integrate community transport services as part of the solution mix

considering the role of community transport as part of integrated solutions	• **Opportunity** for digital transport services and platforms (including but not limited to MaaS solutions) to integrate data about individual customer mobility assistance needs as well as community transport services. This would enable greater customer visibility and integration of community transport within the wider transport system and inclusive approaches to technology-enabled transport that can match users with specific needs to safe and appropriate mobility services. However, this will depend on the extent to which, individually and collectively, service providers can achieve a sufficient level of digital maturity and data availability to enable their integration

6.4 Opportunities for service-level innovation

EXPLORING FUTURE MOBILITY AND TRANSPORT DISADVANTAGE	
Key finding: Innovative mobility services and technologies could increasingly complement public and community transport in helping address unmet needs linked to transport disadvantage	• **Opportunity** to harness emerging transport innovations such as flexible, on-demand transport and Mobility-as-a-Service to enhance the visibility, choice, reach and integration of transport options for a wider range of customers with less complex mobility needs, especially where these can offer more efficient and cost-effective approaches relative to other forms of public transport
	• **Opportunity** for government and industry to work in partnership, and with the community transport sector, to apply innovative transport technologies or services (such as flexible on-demand public transport, MaaS or automated vehicles) to specific use cases around transport disadvantage. This will help to test and develop learnings on the potential effectiveness and future role for these innovations to contribute to reducing transport disadvantage

Key finding:
The community transport sector is diverse and disaggregated, with varying levels of scale, revenue, capability and readiness for change, including in responding to an evolving market context and in pursuing innovation
	• **Opportunity** for greater collaboration within the community transport sector, for example to:
	  • Explore mechanisms to facilitate and strengthen information and knowledge sharing between providers and across jurisdictions
	  • Build collective sector capacity around managing and responding to emerging change in the sector as well as harnessing innovation and implementing technology
	  • Explore opportunities for collaborative procurement around transport assets, technology solutions or staff training to aggregate needs and leverage combined scale to improve cost-effectiveness

	• **Opportunity** for greater collaboration between technology providers and the community transport sector to explore opportunities for technology to enhance operations, service delivery and customer experiences. This includes exploring partnership arrangements that allow for the sharing of risk and co-development of solutions that respond to the range of diverse and complex needs of the sector and its customers

	• **Opportunity** for community transport providers to proactively respond (in a gradual way) to a changing market and funding context, for example by identifying opportunities for growth and diversification (such as expanding areas of operation or diversifying services)
Key finding: Technology and service innovation offers a variety of potential benefits to community transport and its customers, but face a range of internal and external barriers to innovation and may depend on collaboration and partnerships within and beyond the sector to capitalise on these opportunities	• **Opportunity** to capitalise on digital technologies that can improve efficiency and productivity, streamline compliance and administration, reduce costs and improve the quality and responsiveness of services. Technology solutions can also facilitate the integration and aggregation of mobility needs and services across community transport, other mobility solutions and other local community services. For example, the community services sector more broadly already recognises the opportunity to embrace and engage in digital transformation to exploit benefits rather than being "left behind", and the sector is exploring open data platforms to link demand and services to better target service delivery.[474] [475]
	• **Opportunity** to form local partnerships or networks across community transport and other local health, social and community-based services, to integrate and aggregate assisted mobility and transport supports and improve quality and efficiency of services. For example, this could include coordinating the assessment of eligibility and provision of services, as well as exploring opportunities to share assets, costs, resources, functions and budgets. It could also include leveraging partnerships with other types of highly visible local service providers to attract volunteers.

[474] Ogle, G. (2019) *Four Reasons Why Digital Transformation Matters for the Community Services Sector.* Pro Bono Australia. https://probonoaustralia.com.au/news/2019/02/four-reasons-digital-transformation-matters-community-services-sector/

[475] P Ramcharan & S Thompson (Eds) (2018) *Community Services of the Future: An Evidence Review.* Published by the Future Social Service Institute, A Collaboration of the Victorian Council of Social Services and RMIT University

- **Opportunity** for government and/or industry to help create the conditions for innovation in community transport. In addition to options already identified elsewhere (such as providing greater flexibility on use of grant funding, facilitating aggregation or coordinated procurement), other possible options might include:
  - Exploring further opportunities to minimise or streamline regulatory barriers to innovation, including providing guidance to service providers on navigating red tape, as well as promoting outcome-based and technology-neutral regulatory approaches that avoid stifling innovation
  - Considering the need to ensure interoperability of data or systems where this is required to facilitate sector innovation, service integration and the ability to generate system-wide insights
  - De-risking innovative solutions, for example through sharing evidence of benefits, sharing information and case studies on key success factors and potential pitfalls around implementation
  - Working with the sector to help build capacity and strategic readiness for technology within the sector and across key user groups
  - Exploring options to broker collaboration, partnership and risk-sharing between community transport and technology providers

Appendices

Appendix A: Methodology

To address each of the research aims and objectives, UTS adopted a mixed methodology approach that incorporated the following (described in more detail below):

- **Workshop:** A facilitated workshop with a representative sample of community transport providers across Australia
- **Interviews:** qualitative, semi-structured interviews with stakeholders from government agencies, community transport providers, the transport and technology industry and user representative groups
- **Literature reviews:** multiple parallel, in-depth reviews of existing literature, data and documentary evidence relevant to community transport customer needs, service delivery, policy, funding and innovation
- **Supplementary analysis:** additional qualitative and quantitative analysis and synthesis based on primary and secondary evidence emerging from the research, including demographic analysis

Workshop

In July 2021, a facilitated two-hour online workshop was held with over 20 community transport providers and peak body representatives.

The purpose of the workshop was to engaged community transport providers at an early stage of the research, to raise awareness of the research and to conduct exploratory discussion to gather qualitative data and perspectives from providers.

The workshop was conducted via the Zoom video-conferencing platform and utilised the Google Jamboard virtual collaboration tool to capture discussion.

Feedback gathered at the workshop was thematically analysed to identify key emerging issues identified in responses to the key questions posed with participants, outlined in the table below.

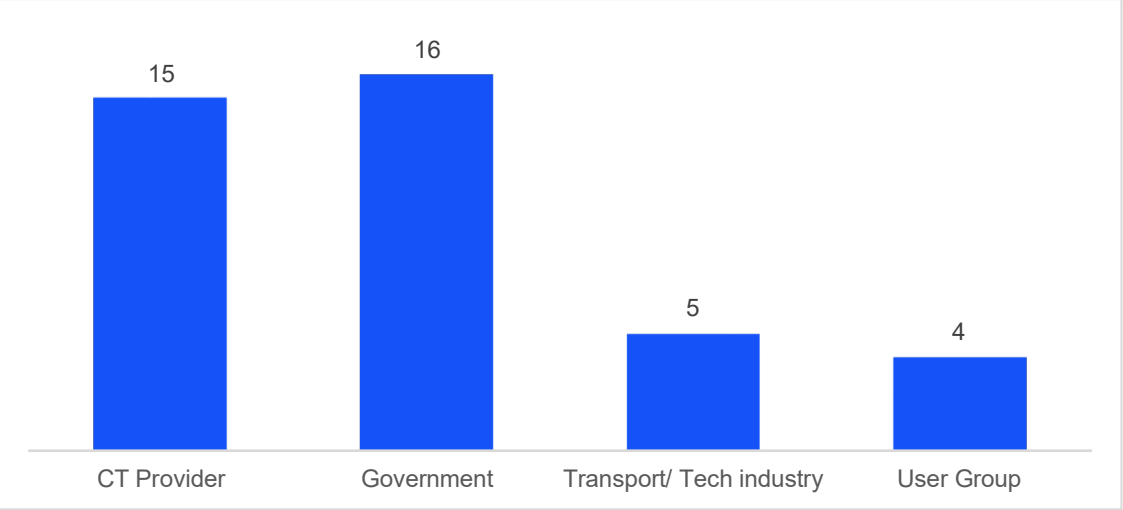
Explore perspectives on what "community transport" and equivalent services are	Key questions included: • What are the services? • Who are the users? • How are these different? • What does this mean for the focus of our research?

Understanding the current issue and challenges for the sector in Australia	Key questions included: • How does the sector operate? • How are services regulated, funded and delivered? • How does this vary (e.g., in terms of scales of operation and service intensity; funding models; service/business models; and the role(s) of government)? • What are the key issues and challenges currently facing the sector?
Gather perspectives on future opportunities for the sector	Key questions included: • What are the key priorities for change? • Where are there opportunities for improvement – and what would make the biggest difference? • How can technology and innovation help? • What examples of successful innovation in the sector are you aware of? • What barriers to innovation exist in the sector?

Semi-structured interviews

A key component of the methodology was the collection of qualitative data through a series of 40 semi-structured interviews with four broad stakeholder groups. An overview of the number of interviews by stakeholder groups is illustrated in Figure 23.

Figure 23 – Number of interviews by stakeholder type



Between August and September 2021 UTS conducted 40 semi-structured interviews over Zoom, Teams or telephone. The length of the interviews varied between 25 minutes and 1 hour.

Broadly, each interview aimed to gather qualitative feedback on the respondents' knowledge and understanding of the community transport landscape in Australia. More specifically, the interviews focused on the participants' understanding of:

- The definition and characteristics of community transport
- The profile of community transport customers
- Current context of the community transport and equivalent services sector
- Policy environment relevant to community transport
- Regulation and compliance costs
- Models of community transport service delivery
- Sources and models of community transport funding
- The strengths, challenges, opportunities and barriers in the sector
- The possibilities for the future of the sector, and
- The use of, and possibilities for, technology and innovation in the sector.

It should be noted that all participants in this research did so on the basis of anonymity. As such, while the report comprehensively reflects all feedback provided, with all direct quotes included in italics, no individual is identified. Further, broad categories of respondents have been used throughout the report, to reflect the four stakeholder groups that were engaged in this project.

All interviews were recorded, transcribed and subsequently coded using NVivo and manual thematic coding. To support the consistency and robustness of the coding process, the research team used an analysis framework that was initially developed in line with the interview guides, and incrementally enhanced to reflect emerging themes identified during the coding process. To ensure the validity and reliability of the analysed data, the research team held several consultation meetings and workshops to iterate the content and themes identified throughout the transcripts.

There were some methodological limitations to the interview research to be noted, although they do not compromise the findings and directions outlined in this report:

- Sample size: as the research was predominantly qualitative in nature, it involved a sample of 40 respondents from four stakeholder groups. Using quantitative methodologies such as surveys, would have helped reach a larger number of respondents and gathered numerical data about the CT landscape to consolidate the findings from the desktop review and semi-structured interviews.
- Uneven response rates between stakeholder groups: two of the stakeholder groups, namely representatives from the transport and technology industry and groups representing potential users of community transport, were considerably

smaller in size compared to the CT providers and government stakeholders, and therefore their voices were disproportionally represented.

Nevertheless, despite these research limitations, there were strong recurring themes and issues raised during the interviews that align closely with much of the literature review findings, thereby providing reliability and accuracy of the community transport landscape discussed in this report.

Desktop review of the literature

A major component of the research involved conducting extensive policy and evidence reviews of relevant existing domestic and international literature and research.

Three parallel desktop reviews were conducted to gather, examine and synthesise diverse evidence on distinct areas of interest for the research related to:

- **The customer and service delivery landscape**, including evidence relating to: community transport (and adjacent or equivalent services) customers, their current experience and perceptions and current and future customer needs; as well as the current ecosystem of community transport service regulation, funding, procurement/contracting, service provision and delivery models
- **The policy and funding landscape**, including evidence relating to: current policy and regulatory regimes; government funding streams in relation to community transport (and adjacent or equivalent services) at Commonwealth and State government level
- **The innovation and technology landscape**, including: emerging transport technology innovations, mobility solutions and service models relevant to community transport (and adjacent or equivalent services), and identified opportunities, barriers and lessons learned associated with the development and adoption of innovative solutions in contexts relevant to community transport.

The reviews mined evidence from a wide variety of literature. This included using the UTS library catalogue, as a one-stop searching platform covering all the major social science journal databases (including JSTOR, SAGE research methods, ProQuest, Informit complete, EBSCO host etc.), alongside other search methods to identify evidence across a range of source types – including:

- Government plans, reports, research and other literature
- Industry research and publications
- Academic research and journal articles
- International forum research
- Relevant public reports and insights from stakeholder, not-for-profit and other (e.g., consultancy, think tank) organisations
- Research findings from real-world pilot and trials of relevant innovative solutions
- Mainstream and specialist media, and
- Grey literature.

Demographic analysis

The demographic analysis included the triangulation of various data sources including primary (Australian Bureau of Statistics) and secondary sources (Public Health Information Development Unit (PHIDU) and Informed decisions database (ID)).

Population forecasts used in this report were derived from Population Census data and economic profiles were disaggregated in line with ABS definitions. For example, these included:

- The Australian Statistical Geography Standard (ASGS) Remoteness Area (RA). Created from ABS Census data, the ASGS-RA divides Australia into five classes of remoteness. This includes, Major Cities of Australia, Inner Regional Australia, Outer Regional Australia, Remote Australia, Very Remote Australia. Remoteness is determined according to population and distance to services.
- Access to services is measured using the Accessibility and Remoteness Index of Australia (ARIA+), produced by the Hugo Centre for Population and Housing.

Adopting consistent data sources and definitions across multiple years enables reliable comparisons and statistical analysis over time.

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