



Transport: rural areas

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This note looks at the legislation concerning rural transport; Government policy towards the same and how transport is delivered in rural areas following the reorganisation under the Regional Development Agencies.

Although measures concerning rural bus services are mentioned in this note, they are not dealt with in detail. Standard notes on rural bus funding, concessionary fares, deregulation, Quality Contracts and bus policy more generally can be found on the [buses topical page](#) of the Parliament website. Rural railways are dealt with in Standard Note SN/BT/3285, available on the [railways topical page](#) of the Parliament website.

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1 Conservative Government, 1979-1997

After 1979, successive Conservative Governments were keen to emphasise alternatives to conventional public transport as a means of meeting the transport needs of rural areas. The most important aspects of this 'alternative strategy' were community and voluntary transport. The primary legislation supporting this is contained in the 1980 and 1985 *Transport Acts*:

- The [Transport Act 1980](#) allows car owners to advertise their willingness to carry passengers and share the costs of the journey on the basis that the lift-giving is arranged in advance of the journey and that the shared costs do not result in any profit to the driver. This represents the legal framework upon which social car schemes are operated.
- Section 19 of the [Transport Act 1985](#) allows community-based organisations to operate small buses (9-16 passenger seats) and charge a fare without the need for public service vehicle (PSV) licensing, provided they run on a not-for-profit basis and carry restricted groups of passengers.
- Section 22 of the 1985 Act allows community-based groups to operate small buses which are available to the general public (9-16 passenger seats) and charge a fare without the need for PSV licensing, providing volunteer drivers are used and the operation is run on a not-for-profit basis.

In response to these powers, many authorities appointed Community Transport Officers with specific responsibility for the encouragement and development of community and voluntary transport services in their area. However, the Rural Development Commission (RDC),¹ in its 1996 survey of community transport, found that:

...the greatest difficulty that community and voluntary transport has is one of responsibility for developing and supporting it (...). This position is exacerbated by the rather ambiguous way (in that responsibility is not defined in any way) community and voluntary transport is dealt with in the *1985 Transport Act*. Hence community and voluntary transport had the tendency to be dealt with in an ad-hoc style of the type described throughout this study.²

The 1995 White Paper, *Rural England*,³ put forward the view that parish councils were well placed to develop flexible transport solutions to meet community needs and listed the areas of activity in which parish councils might take a more active role:

- conducting surveys to establish the transport needs of the community;
- providing support for community minibuses;
- contracting with local taxi companies to provide transport for the most needy members of the community;

¹ the break-up of the RDC was announced in 1997 – its regeneration powers would be redistributed to the new Regional Development Agencies (RDAs) and the remainder was combined with the Countryside Commission in 1999 to form the Countryside Agency, which is now [Natural England](#); the RDC had been in existence since 1909 and its chairman, Lord Shuttleworth resigned in protest; these issues were highlighted in the House by Sir Norman Fowler, see: [HC Deb 3 December 1997, c360](#); John Prescott's response for the Government can be found at c361

² RDC, *Community and voluntary transport in rural England*, 1996

³ DoE/MAFF, *Rural England*, Cm 3016, October 1995; see also: [HC Deb 17 October 1995, cc145-152](#)

- organising car sharing schemes; and
- providing information on local transport schemes.

The RDC, in its 1997 survey, endorsed the case for the involvement of parish and community councils:

We feel that in the case of some rural areas where transport needs to be considered in the context of wider-ranging social issues it may be more appropriate for the responsibility to lie with Rural Community Councils (RCCs) which have a close involvement in rural and voluntary sector issues in their areas. ... At a very local level there may be benefit in giving Parish Councils the power to develop and finance community transport schemes in order to stimulate activity at community level.⁴

The White Paper did not, however, limit its scope to the provision of public transport by parish and community councils. It also assessed the importance of private transport and the road network to rural travel and how increased road travel would impact on rural communities:

Rural businesses and communities need to have reasonable access to goods, services and other people, and an adequate road network is part of the solution. In many rural areas cars are more of a necessity than in cities. It is not a practical option, for example, to have a frequent bus service for all rural communities, including the most remote and sparsely populated. Our policies have to start from these realities and recognise the importance of the car to people in the countryside. However, we also need to accept that increasing levels of traffic, and the road development associated with it, bring real environmental problems ...

In some cases the right answer will be to improve roads, where it is economically justifies or where the volume of traffic has become a hazard to health or safety, but we recognise that some new roads can result in increased levels of traffic. The trunk roads programme was reviewed in 1994. The revised programme aims to relieve congestion, before the economic and environmental costs become too high, and to help improve the quality of life in rural areas by:

- targeting expenditure on motorway and truck road improvements and much needed bypasses of towns and villages;
- reducing proposals for building new trunk routes, particularly those which go through the open countryside;
- withdrawing some schemes with particular environmental disadvantages or which are unlikely to be developed in the foreseeable future, thereby reducing blight and uncertainty.

We also encourage planning policies which will help reduce the need to travel in the longer term by bringing employment and services closer to people.⁵

In April 1996 the House of Commons Environment Committee reported on the White Paper. It questioned the state of rural transport provision and car dependency and stated that “there are strong arguments for the development of alternative schemes which do not always require a great deal of investment and which can improve radically the quality of life for (among others) the disabled, the elderly and the very young”. It also argued that the

⁴ RDC, *Survey of Rural Services: 1997*, para 5.4

⁵ op cit., *Rural England*, pp132-133

integration of transport systems such as buses and trains is particularly important in rural areas, “both in terms of effective and economic use of available resources and also in terms of reducing car dependency”. In conclusion, the Committee stated that:

While we accept that the private car will in all likelihood remain the predominant form of transport in rural areas we feel that a public transport alternative has an increasingly important part to play in the countryside for reasons of sustainability and social equity. The Government’s acknowledgement that substantial increases in traffic can have ‘unacceptable consequences’ is welcome, as is the work which is already in progress to explore alternative and economical transport schemes. We would, however, like to see that funding of such schemes accorded a greater priority than it has at present.⁶

The Government issued its response to the Committee’s report in July 1996 in which it agreed that public transport had an important part to play in rural communities and that the Government would be taking forward plans to improve bus services in rural areas. It also announced its plans to introduce legislation to give parish and community councils the increased powers outlined above.⁷ This was ultimately contained in sections 26-30 of the *Local Government and Rating Act 1997*.

In October 1996 the Government produced a report on the progress that had been made in the twelve months since the launch of the White Paper. The report highlighted the proposals in the April 1996 Green Paper *Transport: The Way Forward*, to improve transport infrastructure, reduce car dependency and switch investment from roads to public transport, cycling and walking. It also emphasised the role of local authorities and reported on the increased funding for the Rural Transport Development Fund.⁸

2 Labour Government, 1997-

The then Chancellor, Gordon Brown, announced additional funding for rural transport in the 1998 Budget. The majority of the £50 million was allocated to a bus partnership fund, but the remainder would be allocated to services and projects reflecting the diverse needs of rural areas such as community-based initiatives like minibuses and taxi-buses; partnership schemes between the voluntary sector, business and local authorities; and better coordination of voluntary, local authority and commercial services.⁹ This was followed in July 1998 by the Labour Government’s first transport White Paper. It mainly focused on increasing rural bus services, but it did acknowledge that this was not the only action that needed to be taken:

Many rural areas are poorly served by public transport: some 20% of rural settlements in England are estimated to have a bus service below “subsistence” levels - fewer than four return journeys a day, and no evening/weekend service. Budgetary pressures have constrained some local authorities from buying in additional services to maintain or enhance bus networks and evening/weekend services. In some cases, support is being withdrawn from socially necessary services, particularly in rural areas ...

We will continue to look at other ways to maintain accessibility to services and thus reduce the need to travel long distances. Planning has a role here, for example in

⁶ Environment Committee, *Rural England: The Rural White Paper* (third report of session 1995-96), HC 163, 2 April 1996, para 102

⁷ *Government response to the Environment Committee Third Report into Rural England: The Rural White Paper*, Cm 3343, July 1996

⁸ DoE/MAFF, *Rural England 1996*, Cm 3444, October 1996, pp49-51

⁹ DETR press notice, “[Investing in rural public transport](#)”, 17 March 1998

promoting the growth of key villages or the regeneration of inner city areas, as part of a package of measures to reduce social exclusion. The local post office/village shop is very important in providing local goods and services in rural areas and we have extended the rate relief scheme to reflect this.¹⁰

In November 1998 the then Deputy Prime Minister and Secretary of State for the Environment, Transport and the Regions, John Prescott, announced that a rural White Paper would be drawn up which would consider the issue of transport.¹¹ The announcement was followed, in February 1999, by a discussion document on rural England, designed sketch out the parameters of the planned White Paper. The document asked whether the Government's rural transport priorities of providing more funds for public transport and developing innovative solutions, together with better land use planning and support for local services, were the right ones.¹² The 10 year transport plan, published in July 2000, also highlighted the issue of rural transport and stated that the following White Paper would "address concerns about equitable access to services, including transport, and the need to develop sustainable rural communities with increased opportunity for all".¹³

Other organisations were also examining the issue of rural transport during this period and they highlighted those areas where the Government should take action. For example, Transport 2000,¹⁴ an independent body concerned with transport and its implications for the environment, summarised the transport problems facing rural communities in a memorandum to the Environment, Transport and Regional Affairs Committee in October 1999:

The absence of congestion on many rural roads leads some to downgrade the importance of traffic problems in rural areas, but this ignores the serious issue of speeding and danger on rural roads, which many local authorities in rural areas regard as their main problem. Many alternatives to rural car dependence do exist; they range from flexible bus services and priority routes for pedestrians and cyclists (or indeed basic pavements) to new ways of accessing services. The interdependence of town and country means that strategies to cut urban traffic and improve the alternatives to urban car trips can, if designed properly, help cut traffic in surrounding rural areas too.

It is in this context that the issue of fuel duty increases should be seen. Rural areas are not exempt from the need to reduce carbon dioxide emissions, and incentives for this should continue. The argument has been that rural areas are inevitably car dependent. They are not. It is however fair to say if rural areas are to be made less car dependent, they will need a framework of policy and funding that differs from urban areas in some respects. Support is needed for rural services and for rural transport; the Rural White Paper should signal a willingness to use the funding from the fuel duty escalator to pay for this support. This can be done through:

- Grants for rural transport and services;
- Adjustments to the spending assessments for rural authorities;

¹⁰ DETR, *A new deal for transport: better for everyone*, Cm 3950, July 1998, paras 4.83 and 4.88

¹¹ [HC Deb 27 November 1998, cc38-39WA](#)

¹² DETR/MAFF, *Rural England: a discussion document*, February 1999, pp11-12

¹³ DETR, *Transport 2010: The 10 year plan*, July 2000, p57

¹⁴ now the [Campaign for Better Transport](#)

- Funding and appraisal for rural service provision that takes full account of the external social and environmental costs of closure and centralisation of services.¹⁵

A research paper by Dr Brenda Boardman of the Environmental Change Unit at Oxford University stated that the most important strategy to tackle rural transport equity was to keep and improve local facilities and that local authorities should have a strategic responsibility for adequate travel and environmentally-friendly transport policies in their own area.¹⁶

2.1 Rural White Paper, November 2000

The rural White Paper was finally published in November 2000. It set out how new policies would be tailored and integrated to meet rural concerns. It set out the problem and how the White Paper intended to address it, as follows:

Distances between people and between settlements mean that difficulty with transport is often a dominant consideration for those who live in the country. With public transport services often sparse, communities are typically highly dependent on the private car. 84% of households in rural areas own a car, compared with only 69% in towns and cities; and the poorest 10% of households are twice as likely to own a car if they live in a rural area compared to a metropolitan area.

- There are particular problems of access to services for the one sixth of rural households who do not have the use of a car. These include many older people (and those who are frail or disabled), and young people, for whom it is often difficult to get access to training and job opportunities – or even to enjoy a night out with friends. Even when a family has a car, some members may not have access to it during the day and women in particular are often more dependent on public transport.
- Whether car users or not, all rural residents are affected by traffic levels, rising fastest on rural roads, and by concerns about road safety, with casualty rates falling more slowly on rural than on urban roads.

The future – what we want to see

- More locally provided services (shops, banking, health services) which people can reach without the need to travel long distances.
- Recognition of the important role of the car.
- Good quality public transport, responsive to people's real needs; flexible, well marketed, well integrated, stable and reliable.
- Better co-ordination of services to make best use of what is available, with an expanded community and voluntary transport sector, working with bus and rail service providers and filling the gaps in those areas which are not adequately served by scheduled services.
- A stronger role for local communities in identifying local needs and in deciding how those needs can be met, and more funds for small local projects.

¹⁵ ETRA Committee, *Rural White Paper: memoranda relating to the inquiry submitted to the Committee* (session 1998-99), HC 887, 4 November 1999, Memorandum by Transport 2000 (RWP 30)

¹⁶ Dr Brenda Boardman, "Rural transport Policy and Equity", December 1999

- Improved rural road safety; with measures to minimise the impact of traffic in rural areas and to facilitate cycling and walking.¹⁷

The specific transport measures contained in the White Paper were:

Additional rural bus services through increased funding: £132m over three years for Rural Bus Subsidy Grant and £60m over the same period for Rural Bus Challenge;

A doubling of Rural Transport Partnership funds from £6m to £12m to deliver to up to 500 new Rural Partnership schemes over the next three years and at least one partnership in every county by April 2001;

A new Parish fund of £15m over three years to support small-scale, locally generated transport solutions;

Early consultation on measures designed to relax restrictions on rural transport services so as to allow for more responsive and flexible provision in areas not well served by scheduled services;

New pilot schemes and funding for car sharing schemes and car clubs in rural communities;

Better and more integrated travel information, including developing a comprehensive internet information and retailing service 'Transport Direct';

Additional funding for Community Rail Partnerships - local authorities and businesses working together to promote local rail services;

Rail franchises which protect rural rail services;

Actions to make towns, villages and rural roads safer - through reduced speed limits, more investment in traffic calming, and some 50 rural bypasses.¹⁸

Full details can be found in [section 6 of the White Paper](#).

The White Paper was debated in the House in November 2000. During the debate, the Conservative Spokesman, Archie Norman, expressed concerns that the White Paper did not fully recognise the importance of the car to people living in rural communities:

Is the right hon. Gentleman not aware that most people living in the countryside depend not just on buses but on cars? We welcome investment in rural bus services, but does he not understand that less well-off farmers--whose incomes have, as he said, dropped by 65 per cent.--pensioners and parents taking their children to school in remote areas rely on the car? They have borne the brunt of stealth taxes. A 3p cut in fuel duty would go much further than any proposal in the White Paper to boost the rural economy.¹⁹

The Deputy Prime Minister and Secretary of State for Environment, Transport and the Regions, John Prescott, responded by stating that the decline in transport services took place during the previous Conservative Governments and that it had taken that Government sixteen years to produce a rural White Paper.²⁰

¹⁷ MAFF, DETR, *Our Countryside: the future - A fair deal for rural England*, Cm 4909, November 2000, p55

¹⁸ *ibid.*, p55

¹⁹ [HC Deb 28 November 2000, cc815-816](#)

²⁰ *ibid.*, c817

2.2 Rural Transport Futures, September 2003

In September 2003 Transport 2000, the Countryside Agency and the Citizens Advice Bureau published a report called *Rural Transport Futures* (RTF). The report found:

...that public transport and opportunities for walking and cycling are largely poor and disjointed with no-one in overall control of how different transport threads come together in a particular area. People see little alternative to owning a car but traffic congestion is rapidly becoming a problem. However, the picture is not uniformly bad and more could be done to make the best become the norm.²¹

The report also looked to other countries for inspiration and found that many rural areas across Europe were “well on the way to achieving integrated transport systems that meet people’s needs.” Amongst the European initiatives applauded in the report were:

- ‘cheek-to-cheek’ integration of buses and trains;
- large scale ‘anytime, anywhere’ demand-responsive services;
- fixed route taxi-buses that take over from larger scheduled vehicles in the evening and at weekends;
- rural branch railways under local control;
- safe walking and cycling routes between settlements;
- traffic calming in villages sympathetic to the local landscape;
- rural car clubs giving people access to a car without them having to own one;
- community traffic-reduction projects encouraging people to think twice about car use; and
- car-free tourism packages trying to reduce the impact of traffic in sensitive areas.

The report made a number of recommendations. Non-rail ones included:

- developing large-scale demonstration projects in areas where most of the bus network was already tendered, including some projects combining special needs transport and conventional public transport in a door-to-door service available to all;
- developing a programme and funding for cycle tracks adjacent to trunk roads and developing walking and cycling plans for rural areas;²²
- supporting the development of a national car club through start-up grants and tax breaks;
- developing a pilot programme of ‘socialised’ road design in villages and market towns which would monitor the effects on safety, on how the road is used by drivers, pedestrians and cyclists, and on rural regeneration;

²¹ Transport 2000 press notice, “Rural transport in Britain needs a jump start”, 3 September 2003; a summary of the report is available to view by [following this link](#)

²² more information on cycling policy can be found in HC Library Standard Note [SN/BT/1097](#)

- developing traffic-saving projects in rural areas, and monitoring their effects on car use;
- encouraging car-free tourism, including (for example) shuttle buses between visitor attractions and caravan sites and discounts at attractions for visitors arriving by public transport or bicycle; and
- reforming the way rural transport is organised by, for example, giving local authorities powers to establish regional joint passenger transport authorities, responsible for area franchising of bus and local rail.

RTF was followed in July 2004 by the Government's White Paper *The Future of Transport*. The White Paper set out the Government's plans to 2030 and contained a section on plans for 'demand-responsive' transport and services in rural areas:

Local bus services can be expensive to run, particularly during evenings and weekends, and it is often not possible to operate rural and off-peak services on a profit-making basis. Local authorities can choose to subsidise services that are required for social inclusion or accessibility reasons if they cannot be provided on a commercial basis, by providing them under contract.

More flexible, demand-responsive services can provide the same, or better levels of service while using fewer vehicles and drivers. They can provide more personalised travel, which can be 'door to door', and they do not need to run when there is no demand. The term 'demand-responsive' covers a wide range of different services, from scheduled bus services that can detour from their regular route to pick up people who have phoned in advance, to 'many to many' services which have no scheduled stopping points at all. It can involve services for specific groups, such as dial-a-ride services for older or disabled people.

To support the establishment of these services we have:

- issued guidance which sets out what the current legislation allows, provides advice on how to register a service and gives examples of good practice;
- introduced changes to the legislation in February this year to make it easier to register a service with routes and timing that vary with demand, making it possible, for the first time, to register local bus services that are pre-booked and offer a door to door service. Thirty demand responsive services have been registered since the new regulations were introduced;
- made demand-responsive services eligible for BSOG and extended the Rural Bus Subsidy Grant, which helps improve accessibility in rural areas, to include demand responsive and taxi-based services; and
- increased local authorities' and operators' awareness of these schemes through road shows around the country.

We will continue to encourage local authorities and operators to make use of demand responsive schemes in areas not well-served by conventional bus services. Some authorities have achieved real benefits in rural areas through bringing education, health and social services transport together with scheduled and community services.

We will review the regulatory framework and continue to work across government to ensure that the community transport sector can contribute more in future.²³

2.3 Reorganisation of rural delivery, 2005

Responsibility for delivery of rural programmes – including transport – was moved from the Countryside Agency to Regional Development Agencies (RDAs) in April 2005.²⁴ The then Secretary of State for the Environment, Alun Michael, explained the situation in response to a Written Question in October 2004 and stated that increased funding would be made available to RDAs to support their extra responsibilities:

The Countryside Agency funds Rural Transport Partnerships through their Vital Villages programme. The Agency will continue to fund existing projects and commitments until the Vital Villages programme closes on 31 March 2006. From 1 April 2005, Defra will devolve decision making on the delivery of economic and social regeneration policies to the Regional Development Agencies. The Regional Development Agencies are charged with contributing to the delivery of Defra's Public Service Agreement target to improve the accessibility of services for people in rural England. In recognition of their larger role in the delivery of Defra's policies, we have given the Regional Development Agencies an additional £21.3 million per annum for the years 2005-06, 2006-07 and 2007-08.

These new arrangements will mean considerable changes for how Defra achieves its rural objectives. Regional Development Agencies, working with their partners, will be responsible for deciding how to spend their resources and grants may not be available for the types of projects that have been supported through the Countryside Agency's Vital Villages programme hitherto. But I am confident that by devolving these responsibilities to the Regional Development Agencies and increasing their resources, rural delivery will become more responsive to local priorities and better focussed on areas and people that need it most.

From now until the closure of the Vital Villages programme, the Countryside Agency is working to mainstream the work of the Rural Transport Partnerships and share good practice. £14 million has been invested in the Vital Villages programme this year. Although separate figures for rural transport plans are not available, the larger Vital Villages programme underspent by £80,000 in 2003-04. This underspend was not reallocated to Defra expenditure. In June the Agency published a "Guide to Finding Funding for Rural Transport Partnership Projects" (available in hard copy from the Agency and on their website: www.countryside.gov.uk) and some funding for small scale community transport schemes, such as mini-bus links, is available through Defra's Rural Enterprise Scheme.

The Agency published an evaluation of the Rural Transport Partnerships in June 2004 (also available in hard copy from the Agency and on their website) and is holding a national conference on 27 October to publicise the Partnerships' work and achievements.²⁵

A further Written Answer, given in March 2005, stated that the Government was:

...discussing with the Regional Development Agencies what they will deliver and how it will be measured, to be included in their Tasking Framework. Defra expects them, in partnership with local government and others, to ensure that the needs of people in

²³ DfT, *The Future of Transport: A Network for 2030*, Cm 6234, July 2004, paras 5.24-5.26

²⁴ for more information on local and regional transport organisation, see HC Library Standard Note [SN/BT/4351](#)

²⁵ [HC Deb 26 October 2004, cc1094-95W](#)

rural communities are addressed, through regional level strategies and delivery. But it will be for each Development Agency to determine the priorities for its region and, through their corporate plans, how they will achieve their agreed outcomes.²⁶

These structural changes were a result of the [Haskins review of rural delivery](#). In November 2002 the Government invited Lord Haskins to carry out an investigation into the mechanisms behind rural delivery. He published his report in October 2003. It recommended:

- improved accountability for actions through clearer definitions of responsibility;
- greater devolution of power to regional and local organisations;
- improved coordination of operations; and
- improved and simplified regulations.

In its response to the report, the Government recognised the concerns that Lord Haskins raised, saying that they echoed “the concerns which led us to commission his report”. The Secretary of State said that the Government’s first priority would be a “full review of rural funding schemes to provide a clearer and simpler framework for applicants and to achieve a reduction in bureaucratic procedures”.²⁷ The Government also broadly accepted the need for an integrated agency as described by Lord Haskins. They also stated that the devolution of power would be discussed with relevant stakeholders. However, the Government rejected Lord Haskins’s recommendation to close the Countryside Agency.²⁸

2.4 Local Transport Act and other initiatives, 2008-

In May 2007 the Government published a draft *Local Transport Bill*.²⁹ The Transport Committee conducted pre-legislative scrutiny of the draft Bill and published a report in July 2007.³⁰ The *Local Transport Bill 2007-08* was announced in the 2007 Queen’s Speech and received Royal Assent on 26 November 2008. For an account of the Bill as it entered the Commons, having been passed by the House of Lords, see [Library Research Paper RP 08/18](#); and for an account of the changes made at Commons Committee stage, see [RP 08/49](#).

The provisions in the Act affecting rural transport pertained mostly to sections 57 to 61, which made provision relating to permits issued under sections 19 and 22 of the *Transport Act 1985* (which exempt the operators of particular community services from certain licensing requirements).³¹ There followed two consultations: one in 2008 on the Community Transport Regulations and one in 2009 on review of designated bodies for section 19 permits.³²

The consultation on the Community Transport Regulations was published in July 2008. It described the purpose of the proposed regulations as follows:

²⁶ [HC Deb 1 March 2005, c1039W](#)

²⁷ [HC Deb 11 November 2003, cc11-16WS](#)

²⁸ for more information see HC Library Research Paper [RP 05/39](#)

²⁹ DfT, [Strengthening local delivery: the draft Local Transport Bill](#), Cm 7043, May 2007

³⁰ Transport Committee, [The draft Local Transport Bill and the Transport Innovation Fund](#) (ninth report of session 2006-07), HC 692, 26 July 2007; the [Government’s response](#) was published in October 2007

³¹ other powers in the Act relating to the creation and remit of [Integrated Transport Authorities](#) and [enhanced bus powers for local authorities](#) could also be used to affect transport provision in rural areas

³² DfT, [Review of Designated Bodies for Section 19 Permits: Consultation Document](#), July 2009; the summary of responses, including the [Government’s response](#), was published in December 2009

In addition to re-enacting the existing regulations, with some modernisation, the Section 19 Permit Regulations would provide for the use of vehicles adapted to carry fewer than 9 passengers (when used as public service vehicles rather than for exclusive hire) under section 19 permits. The new Community Bus Regulations would provide additionally for the use of vehicles adapted to carry more than 16 passengers and for the attachment of conditions relating to the type of vehicle that may be used under a section 22 permit. They would also make additional provision for the driving licence requirements of drivers who are paid to drive community buses, over and above the out-of-pocket expenses permitted under existing legislation.

The provisions about permits and discs in both sets of regulations are amended to provide that all permits issued after a particular future date will expire after a period of time (maximum 5 years) rather than remaining in force indefinitely. The regulations include appropriate amendments to the design of permits and discs to reflect these and other changes.³³

The [Government's response](#) was published in February 2009 and the implementing regulations; the *Community Bus Regulations 2009 (SI 2009/366)* and the *Section 19 Permit Regulations 2009 (SI 2009/365)* came into force on 6 April 2009. New best practice guidance for community transport was published in February 2010.³⁴

The [Commission for Rural Communities](#) (CRC) published five studies highlighting transport challenges facing rural areas in September 2008. The accompanying press notice stated:

Graham Russell, Director of Practice at the CRC said: "Transport is a key concern for rural communities. With a continuing decline in local services, rural residents need to travel greater distances, and because of significant gaps in public transport much more of their travel is by car. What's more, rising fuel prices are hitting rural areas hardest, especially less well-off households where a higher proportion of income goes on essentials including transport costs. Greater car use in rural areas also contributes to higher overall carbon production rate per person than in urban areas.

"The studies we are publishing today provide a much-needed reminder of the critical transport challenges that face rural communities and the urgent need to find new solutions. More efficient and environmentally beneficial ways for rural people to move around in our rural areas now need to be found. Community collaboration must play a crucial part, and there are already excellent examples of initiatives taking place around the country some of which are highlighted in the studies.

"We are anxious for these studies to provide thought-provoking insight into the possibilities for the future of rural transport and to stimulate further interest and discussion – one of the studies, for example, suggests the possibility of 'rural life without carbon'. We want to position transport at the heart of the debate on climate change and the creation of sustainable rural communities. As part of our continuing dialogue with policy-makers across government we will take forward these contributions to ensure that transport policies and practices take account of the needs of rural communities."³⁵

³³ DfT, [Consultation on secondary legislation to implement the provisions in the Local Transport Bill on community transport permits](#), July 2008, p2

³⁴ DfT, [Community Transport: LTP Best Practice Guidance](#), February 2010

³⁵ CRC press notice, "[Government watchdog calls for urgent new solutions for rural transport](#)", 15 September 2008; the reports are all available on the [CRC website](#)

CRC also supports the [Commission for Integrated Transport \(CfIT\)](#)'s shared taxi concept; it published a report on this in November 2008:

CfIT has assessed shared taxi schemes - or what it has christened '*TaxiPlus*' services - from across Europe and the UK. Research undertaken by Mott MacDonald on behalf of CfIT has assessed these schemes which operate on a large scale in many rural areas of mainland Europe, and are particularly successful in the Netherlands and Switzerland where sophisticated journey matching software is used to match people's trips. Because '*TaxiPlus*' services only run when requested, they are more cost-effective than conventional bus services in remote areas and at off-peak times, providing services seven days a week from early in the morning until late at night in places where a conventional bus service would not be viable.

[...] CfIT recommends a pilot '*TaxiPlus*' scheme, running at least at County level and over seven years. It could offer subsidised, on-demand, door-to-door services linking in to other transport modes plus bookable services at off-peak times on core bus routes. The pilot would evaluate how shared taxis could improve accessibility, raise social inclusion, and offer other social benefits. It would also test potential to achieve modal shift away from the private car, bringing with it climate change benefits that would justify additional subsidy.³⁶

3 Social exclusion

In February 2003 the Social Exclusion Unit published a report on transport and social exclusion.³⁷ According to this report there were several instances of successful programmes around the country that made a variety of personal transport cheaper and more available to those on lower incomes. For example:

- Mopeds, bicycles and cars leased at a discounted rate;
- Minor repair and maintenance grants to put an otherwise redundant vehicle back on the road; and
- Subsidised driving lessons for those with access to a car and for whom mopeds or bikes are unsuitable.

There are a number of Wheels to Work schemes in rural areas across the country which provide people with transport solutions for a short period to get to employment, training or education. Schemes have been in operation since the mid 1990s, such as employer-sponsored workplace travel plans. These plans are designed to reduce the number of people travelling to work by car, in order to help reduce congestion and pollution. Such plans usually include a car sharing scheme but are more likely to be operated by large employers. There may be a county council car share scheme which matches car owners with potential passengers. There are also schemes such as [Employment Zones](#) and [Action Teams for Jobs](#) which can assist the unemployed with the cost of travel to work but these do not cover those who are already in work.

Other sources of funding such as the [Rural Transport Partnership \(RTP\) scheme](#) have also proven successful. The RTP scheme was introduced as part of a raft of measures to support rural transport following [Budget 1998](#). The scheme was aimed at encouraging imaginative

³⁶ CfIT, "[Flexible taxi services hold the key to halting rural stagnation](#)", 27 November 2008; the report is available on the [CfIT website](#)

³⁷ SEU, [Making the Connections: Final Report on Transport and Social Exclusion](#), February 2003

new partnerships between the public, private and voluntary sectors working together to develop local solutions to local needs. Several RTPs have schemes which loan mopeds and provide the necessary compulsory basic training for people who have difficulty in getting to work; others offer assistance with driving lessons. Some RTP schemes operate a flexi-bus which can help people get to work. Usually the county council contributes to these schemes. The scheme was funded by the Countryside Agency through its Vital Villages programme. The Agency funded existing projects and commitments until the Vital Villages programme closed on 31 March 2006.³⁸

4 Parish councils and the parish transport grant

Parish councils in England³⁹ first received powers to support transport initiatives through the *Local Government and Rating Act 1997*. Using the powers provided in Part III of this Act, parish councils are able to set a precept for and support car sharing schemes; a local bus service; a community bus service; taxi fare concessions; transport information; and traffic calming works. In addition, parish councils often finance the provision of new bus shelters.

Further to the publication of the rural White Paper in November 2000, the Countryside Agency established the Parish Transport Grant (PTG) in April 2001 which offered grants of up to £10,000 to parish and town councils to support locally-generated transport solutions. At the same time, the Agency also introduced schemes to help parishes prepare town and parish plans and to extend and improve training for parish councils. However, the PTG programme was closed in April 2004 and since then the emphasis has been on evaluating the schemes set up under it and assessing what lessons can be learned and disseminating good practice. A February 2005 briefing by the Agency outlined other areas of involvement for parish councils:

For a number of years the Countryside Agency and its predecessor body, the Rural development Commission, has worked with parish councils to undertake its regular Rural Services Survey. The Countryside Agency also commissioned consultants to develop a methodology for assessing rural accessibility, which can be used by parish councils to identify specific issues in their area...

As a consequence, many town and parish councils have become increasingly involved in researching needs and planning services for their area, including transport. This is improving the capacity of these councils to share the transport evidence that they hold and the resources available to them with other strategic bodies.⁴⁰

5 Road pricing

Details of plans for a national road pricing scheme can be found in HC Library Standard Note [SN/BT/3732](#).

In July 2004 the DfT published its [feasibility study of road pricing in the UK](#). The study was extensive and went into some detail about possible options for implementing road pricing in the UK, technologies that might be used, costs, anticipated impacts etc. Since the publication of the feasibility study the Labour Government has supported such a scheme for the nation's roads. However, in recent years it has cooled on such a plan following negative publicity in

³⁸ as stated above, from 1 April 2005 decision making on the delivery of economic and social regeneration policies was devolved to the RDAs

³⁹ information on how parish councils can be established and abolished are contained in HC Library Standard Note [SN/PC/4827](#)

⁴⁰ Countryside Agency, [Involving parish councils in transport issues](#), February 2005, p5

the media, a lack of support from motorists and voters, and technological challenges. It is no longer clear whether the Government remains committed to such a policy. Smaller plans for local road charging schemes have also fallen by the wayside as local authorities have rowed back on funding bids to implement charging schemes in their areas.

Were a national scheme to go ahead, it would have implications for those living in rural areas. According to the Department for Transport over half of the people in rural areas live more than 13 minutes' walk away from an hourly daytime bus service. Further, 29 per cent of rural settlements in England have no bus service at all. In relatively affluent areas, public transport services have often declined as a direct result of high car use and people on low income without cars in these areas can suffer as a result.⁴¹ Annex E to the feasibility study states that:

In rural areas, the cost of running a car is usually higher than in urban areas because of the distances people have to travel to access services and the higher cost of non-urban petrol stations. A reduction in the cost per mile to reflect low congestion on rural roads could therefore benefit those living in rural areas, as it would lower their cost of transport.⁴²

By virtue of the fact that minor roads, which are less congested, would, in all likelihood, have a lower charge, more vehicles may make use of them rather than travelling on the motorways and 'A' roads. This would impact on the 'quality of life' for rural communities. The Campaign to Protect Rural England (CPRE) raises this issue in its position statement on road pricing:

It will be necessary to ensure the needs of people in remote rural areas are not unfairly disadvantaged by the charging scheme. The development of the charge should be informed by maps of accessibility to essential services. These are already being produced by highway authorities. These should be supplemented by more definitive data, or typologies, on different rural areas. Lower charges could apply to remote rural areas, although it will be important not to create a perverse incentive to live in deep rural areas and commute long distances. Government support should also be directed at establishing rural car sharing schemes in such areas.⁴³

That said, CPRE has indicated its broad support for the idea of road pricing.

6 Traffic through villages

The relevant guidance on implementing village speed limits is [Traffic Advisory Leaflet 1/04](#), published in January 2004; the relevant guidance on implementing quiet lanes in rural areas is [Traffic Advisory leaflet 3/04](#), published in June 2004. The Department for Transport issued a revised [circular 2/2006, *The Quiet lanes and Home Zones \(England\) Regulations 2006*](#), in August 2006.

Excessive speed through villages caused so much concern that in July 1991 a Working Group, the Village Speed Control Working Group (VISP), was set up composed of members of the county surveyors' society and the Department of Transport, including the TRL. Its purpose was to look at the problem of speeding traffic in villages and to investigate the costs, benefits and effectiveness of various ways of controlling the speed of vehicles. Its final report

⁴¹ DfT, [Feasibility study of road pricing in the UK](#), July 2004, Annex E, pp134-135

⁴² *ibid.*, p135

⁴³ CPRE policy position statement, *Road User Charging*, June 2005, p3; more recent policy statements on rural transport and road traffic demand management are available on the [CPRE website](#)

was published in June 1994. The results were not particularly encouraging and it concluded that low cost schemes only secured small reductions in speed and that the more comprehensive the proposals the more effective they were. In September 1995 the Department published a 16 page booklet, *Safer by Design*, which set out various ways in which speed could be contained. [Traffic Advisory Leaflet 1/94](#) summarised the findings of the report although much of it applied to towns rather than villages.

The Government's speed policy review published in 2000 acknowledged that the main concern on rural roads is that the current speed limit is not appropriate for the conditions, and proposed that a rural road hierarchy should be defined to help manage speed in these areas.⁴⁴ For the purposes of the speed policy review roads in rural areas were divided into three categories, main roads; villages; and country lanes.⁴⁵

Section 269 of the *Transport Act 2000* required the Secretary of State to undertake a review of the issues relating to the implementation of a rural road hierarchy and publish a report within 12 months of Royal Assent. A Working Group of professionals and interest groups prepared a report that was laid before Parliament in November 2001.⁴⁶ The Government later acknowledged that there was a need to address the problems of inappropriate and excessive speeds on rural roads but that measures adopted in urban areas, such as road humps, are not always appropriate in rural areas. During a debate in 2003 the Transport Minister at the time acknowledged that the problem of inappropriate speed in rural areas was a "real concern":

Vehicle speeds that are below the speed limit but are considered too dangerous for a particular road cannot be tackled by the use of more conventional and highly successful enforcement cameras. However, we have finished trials on devices that we believe will help enormously in that area. Trials of vehicle-activated signs as a measure to curb inappropriate speeds, especially in rural areas, by warning drivers of potential hazards ahead or reminding them of the speed limit in force, were very successful. (...)

There is widespread consensus that we need to do something about safety on rural roads. Unfortunately, I am not convinced that the new clause and the way in which it sets out a rather rigid hierarchy of speed limits would give us what I said earlier was our ambition, which is to reduce the number of casualties on the roads. I shall therefore ask that the new clause be resisted.⁴⁷

If there were to be a national speed limit which applied in all villages, this would have to be introduced by the Secretary of State; there were various Parliamentary efforts to legislate in this areas but none were successful.⁴⁸ Section 268 of the 2000 Act enables local traffic authorities to designate roads as home zones or quiet lanes. They are not constrained in how they use this power, except that the Secretary of State may give guidance on its use. Local traffic authorities must take account of any guidance. Quiet Lanes are defined as minor rural roads which are appropriate for shared use by walkers, cyclists, horse riders and motorised users. They should have low traffic flows travelling at low speeds. There have been two Quiet Lanes National Demonstration Projects, in north Norfolk and west Kent; supported by the Countryside Agency working in association with Norfolk and Kent County Councils.

⁴⁴ DfT, [New directions in speed management](#), March 2000, paras 137-138

⁴⁵ *ibid.*, paras 140-157

⁴⁶ DTLR, [Development of a rural road hierarchy for speed management, a progress report](#), October 2001

⁴⁷ [SC Deb \(D\) 11 March 2003, cc595-606](#)

⁴⁸ e.g. [HC Deb 12 May 1999, cc321-323](#); and [HL Deb 9 November 2000, c1758](#)

As stated above, in April 2009 the Government published a consultation on its road safety strategy from 2010-2020; this included an announcement that local highway authorities would be encouraged to look at whether speeds should be reduced on 'risky' rural roads. In effect, this would mean cutting the speed limit on any roads thus identified from 60 mph to 50 mph:

Our current approach is to ask highway authorities to review their speed limits, giving priority to their 'A' and 'B' roads. We still think that this is the right mechanism for ensuring that right roads have the right speeds. Some authorities, such as Buckinghamshire and Warwickshire County Councils, have been making good progress with their reviews, resulting in reduced speeds and fewer casualties. However, we want authorities to take account of the forthcoming evidence on the riskiness of individual roads, and on the greatly enhanced risk at 60 mph compared to 50 mph ... Across the country as a whole, we are concerned that progress has generally been too slow and too patchy.

So, to complement the better data on risk ... we will also revise our existing guidance to highway authorities to assist the ongoing review of speed limits. **We will recommend that they prioritise the review of 'A' and 'B' class national speed limit single carriageways, given the high proportion of traffic and casualties on these roads, and encourage the adoption of lower limits wherever the risks are relatively high and there is evidence that a lower limit would reduce casualties.** We will keep track of authorities' progress in reviewing speed limits and will ensure that knowledge about successful speed limit review is shared.⁴⁹

In December 2009 the Government announced that Sir Peter North had been asked to conduct a review into a number of road safety issues; this would delay the final publication of the road safety strategy post-2010.⁵⁰

7 Subsidised bus services

Local authorities (outside London) have a duty to secure socially necessary bus services not provided commercially. Services are tendered and let to commercial operators in return for payment from the council. Councils outside London spend more than £800m a year supporting bus services from their resources, including council tax, non-domestic rates and non-hypothecated Revenue Support Grant (the general grant to local authorities provided by Government to support all their activities).⁵¹ Local authorities are no longer permitted to provide blanket support for bus services in their areas as a consequence of the *Transport Act 1985*.⁵²

In 2001 the Government commissioned a three-year research project into trends in tendered bus services including tender prices.⁵³ The final report, by Atkins Transport Planning, was published in 2005. Atkins reviewed how local authorities procure their tendered bus services with a view to establishing best practice and better understanding the key drivers of cost increases and how these might be best managed. The research sought to identify how value

⁴⁹ DfT, *A safer way: consultation on making Britain's roads the safest in the world*, April 2009, paras 5.29-5.30 [emphasis added]

⁵⁰ [HC Deb 3 December 2009, cc136-138WS](#)

⁵¹ the Government estimates that approximately £330m is provided through the RSG

⁵² under sections 88-92 of the 1985 Act, Department of Transport circular 5/85 and the *Service Subsidy Agreements (Tendering) Regulations 1985* (SI 1985/1921, as amended by SI 1989/464 and SI 1994/1227)

⁵³ [HC Deb 18 July 2002, c461W](#)

for money could best be achieved in the very wide range of different local circumstances under which supported local bus services are needed.⁵⁴

Some local authorities, and particularly PTAs, have repeatedly expressed concern about the growing number of tendered services which they feel that they are now being obliged to run due to increasing bus operator 'drop out' rates. In its report on the bus industry in October 2006 the Transport Select Committee highlighted this problem as well as the operator practice of applying for a tender service which they had previously surrendered due to it being 'commercially unviable':

Bus operating costs are now rising above inflation and may rise further. While this clearly affects operators, there is also the knock-on effect for tendered services. The real question is where the money will come from to meet the higher costs of running a bus service. The money has to come from somewhere and it may be difficult to avoid increased fares; increased subsidy; or reduced profits. The ideal of low fares, comprehensive high quality bus services and well paid staff can probably only be achieved with extra subsidy, and that means higher local taxes or alternative sources of finance such as congestion charging. Mr Woolley, York City Council, gave a stark picture of the costs of an integrated, effective bus service:

We are probably spending something of the order of about 30 to 40 per cent of our local transport plan funding, which has been around £6 million a year, on improved public transport, so that gives you a figure, because that is what you are looking for, of something of the order of £2 million or £3 million, depending on any particular year.

(...) We had evidence that, under the current system, operators are abandoning unprofitable routes which are nevertheless used and are necessary links for communities to work, social and leisure facilities. This forces local authorities to take the routes over and to issue a tender for their operation. Often, an operator who cannot make a commercial success of such a route will apply for the subsidised, tendered route. This practice can be particularly frustrating for a local authority when routes are being abandoned when they are simply *less* profitable, rather than *unprofitable*. Services are withdrawn in order to maximise profits for the operator by shrinking their network and concentrating on the highest revenue-raising routes, at the expense of the travelling public. On occasion, this can mean that, as a transport authority implements bus priority schemes or introduces a quality bus corridor, it finds the result is a shrinkage of the bus network. South Yorkshire PTA explains how bad the problem is in its area:

...the cost to the public sector of buying back services which commercial operators seek to abandon is not sustainable. The cost of tender renewals are rising by 14-15 per cent each year - above annual RPI increases ... In the medium to longer-term it is becoming harder to find the efficiency savings to meet these rising costs. In short, to deliver the high quality public transport network necessary to achieve local and national objectives, the total funding needs to be increased.

A linked problem is that of concentration on core routes to the detriment of the rest of the network. Many of the PTAs raised this problem in the metropolitan areas; they were echoed by some of the local authorities that gave evidence to us. Mr Smith,

⁵⁴ Atkins for the DfT, *Monitoring local bus service tenders in England: final report 2004*, May 2005; also available is the [good practice guide to bus tendering](#)

Cambridgeshire County Council, explained that "one of the things we have struggled with over ten or 15 years is a withdrawal of services outside those core routes".⁵⁵

The Committee concluded that "'Competition' is clearly failing many non-core routes and the communities that depend on them. The current situation cannot go on. Local authorities' budgets are stretched".⁵⁶

The answer most commonly put forward to address this problem is to give local authorities more control over the bus services in their areas, thus in theory reducing the need for subsidised services. This could mean the introduction of partnership agreements between authorities and operators, or a more comprehensive system of contracts or franchising. For more information on these areas, see Standard Note [SN/BT/624](#).

8 Scotland

At the Convention of the Highlands and Islands in March 2003, the then Deputy First Minister of Scotland, Jim Wallace, pledged a further £11.9 million for schemes which support rural services – mainly bus but also ferry and community transport services. The funding, part of the Scottish Executive's Rural Transport Fund, provided £5.8 million for 2004-05 and a further £6.1 million for 2005-06. The Rural Transport Fund was launched in March 1998 with three strands:

The Rural Public Passenger Transport grant enables local authorities to provide additional rural public transport services. All Scottish Local Authorities (except the four city councils) receive allocations.

The Rural Community Transport Initiative assists voluntary organisations to provide community transport in rural areas of Scotland where public transport is limited. By December 2004, 152 projects throughout Scotland had benefited from the initiative with grant awards totalling £11.5 million.

The Rural Petrol Grant Scheme helps rural petrol stations meet costs of tank replacement and groundwater protection requirements and encourages Liquefied Petroleum Gas provision in rural areas.⁵⁷

Further funding for rural public transport was announced in 2006.⁵⁸

There was a [review](#) of the economic assessment tools and procedures used by Scottish Transport Appraisal Guidance (STAG) for rural transport schemes published in October 2009.

⁵⁵ Transport Committee, [Bus services across the UK](#) (eleventh report of session 2005-06), HC 1317, 26 October 2006, paras 59 and 62-63

⁵⁶ *ibid.*, para 65

⁵⁷ Scottish Executive press notice, "[Rural transport investment package](#)", 10 March 2003

⁵⁸ Scottish Executive press notice, "[Funding for rural transport](#)", 19 October 2006