EVALUATION OF THE RURAL TRANSPORT FUND

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SECTION 1 INTRODUCTION

1.1 In March 1998 the Scottish Transport Minister announced that a new government initiative, the Rural Transport Fund (RTF), would provide £13.5 million over three years to improve transport links in rural Scotland. The RTF comprises three different elements.

- **Rural Public Passenger Transport Grant.** £10.5 million over 3 years to enable local authorities to provide additional rural public transport services, including bus, rail and ferry, and to allow the subsidising of non-commercial routes in rural areas. All local authorities in Scotland, except the four city councils, were eligible for a share of the money by special grant. A base amount of £25K was awarded to each council with the balance distributed according to a formula reflecting factors such as sparsity of population, settlement patterns and remoteness from ‘service’ centres.

- **The Rural Community Transport Initiative.** £1.8 million over 3 years to fund community transport projects such as community minibuses, dial-a-bus services, taxibuses and voluntary car schemes. The fund is administered as a grant scheme. A Steering Group was set up to help develop and implement the initiative. The Group was chaired by the Scottish Executive with representation from the Community Transport Association, COSLA, the Association of Transport Co-ordinating Officers and, until its demise, Rural Forum. Each application is judged on criteria that will improve transport accessibility in the area with an emphasis on new and innovative ideas.

- **Rural Petrol Stations Grant Scheme** £1.2 million over 3 years to assist rural petrol stations in meeting the costs of tank replacement and groundwater protection requirements. Locally available fuel supplies are vital to maintain accessibility in remote rural areas and the fund is intended to focus on ensuring that a network of rural petrol stations is maintained. To qualify for a grant, petrol stations must be more than 30 minutes drive from urban areas, 8 miles or more from a neighbouring station, sell lead free petrol and diesel and sell less than one million litres of fuel a year. The grants are awarded by Highlands and Islands Enterprise and Scottish Enterprise and distributed through the local enterprise network.

1.2 In 1999 the Scottish Office (now the Scottish Executive, the name used throughout this report) commissioned Steer Davies Gleave to conduct an evaluation of the Rural Transport Fund. The aim of the evaluation was to assess the outcome of the funding in the short term and to assess potential benefits to rural transport and communities served in the longer term. More specific objectives of the evaluation were to:

- evaluate whether the programme as a whole has achieved its objectives i.e. to improve transport accessibility in rural areas, reduce social exclusion from transport services and improve connections in remote rural areas.
- assess the effectiveness of individual projects; whether resources allocated to each recipient have been well spent; and what has been gained in terms of the rural resident’s mobility
identify factors which have contributed to the success or otherwise of different initiatives carried out as a result of the RTF, and indicate lessons learned in the process.

Research approach

1.3 The approach to the study involved the development and use of a formal evaluation framework designed to examine how expenditure through the elements of this package result in a range of final outputs and outcomes within rural Scotland. In addition the process of implementing the programme was also assessed. Each element of the package was examined separately. Fieldwork was carried out in 2000 and the evaluation related to first 2 years of the programme, 1998-99 and 1999-2000.

1.4 The results of the evaluation are set out under each of the 3 separate streams of funding in sections 2, 3 and 4. Section 5 provides an overview of the whole package and draws together some conclusions from the evaluation.
SECTION 2 THE RURAL PUBLIC PASSENGER TRANSPORT GRANT SCHEME

2.1 The aim of the RPPT scheme was to ‘help bus services in all rural areas and within that to aim to deliver greater help for the more remote areas or “deep rural areas” of Scotland….. the aim will be to ensure that councils with an element of rurality receive base support, with those councils with a higher element of rurality or remoteness receiving a greater share of the resources’. There was therefore a clear intention to discriminate in favour of the more rural or remote areas; however, there is no universally accepted definition of rurality, and equally it is evident that actual need may not be deduced from either rurality or remoteness.

2.2 The RPPT therefore needed to address the great range of settlement patterns covered by the term ‘rural’, ranging from very isolated and sparsely populated and scattered communities in the remote Highlands and Islands to commuter villages and old mining villages in the Central Belt. It needed to reflect the key role of local authorities in planning and procuring public transport services. The continuing role of the car as the most viable option for many rural journeys was also recognised.

PROCESS EVALUATION

2.3 There was an objective to achieve early outputs from the scheme and to make real differences on the ground in as short a time as reasonably practicable. This over-riding initial objective was achieved, with additional rural bus services operating in all areas within the first year of the scheme.

2.4 However, the benefits of achieving rapid results had some adverse consequences for the planning and implementation of the scheme including: the impacts arising through allocation to councils of a full year’s funding for use in less than a 12 month period; the ability of councils to respond and in particular to carry out consultations, and to plan and appraise project options; some opportunity costs associated with rapid implementation, arising primarily from lack of staff resources within councils.

Implementation of the scheme; the allocation formula

2.5 In designing the scheme and implementing it, a key issue was how the block allocation would be divided among the Scottish local authorities. This is a highly complex issue in principle, but in practice the aim of achieving outputs quickly meant that there had to be a high degree of acceptability of any formula among the local authorities, so as to ensure their commitment and to minimise delays with subsequent implementation. The need for first year outputs pointed to a simple and transparent formula and a short period of intensive consultation with the local authorities was conducted through CoSLA resulting in the agreed approach.

2.6 The need for rapid implementation precluded a more complex or sophisticated approach to the allocation of funds. The formula adopted was necessarily a compromise between the benefit of achieving rapid outputs and the costs which could have arisen had funds been poorly allocated.
2.7 The development of a workable formula was carried out with commendable speed, and broadly speaking it achieved its intermediate objective of general acceptability and its ultimate objective of discrimination in favour of the areas that display the highest degrees of rurality. Criticisms of the formula are fairly minor; analysis suggests that more authorities could reasonably have been ruled out using a threshold approach, leaving fewer authorities to share the total allocation. Analysis also suggests that, if a flat rate element was to be included, then some form of ceiling per capita could usefully have been applied to this element. However, such a ceiling would in practice have been less necessary had some additional authorities been ruled out at the threshold stage, as those with the highest flat rate costs per capita of rural population were generally also those which would have been ruled out on threshold grounds.

2.8 Analysis concluded that the existing distribution formula should be retained. The funding distribution formula appears to have succeeded in achieving the aim of favouring the most remote areas. The application of the population weighting procedure (to settlements of under 1,000 population rather than 10,000 population) and of dispersal factors both tended to favour the most remote and sparsely populated areas.

Implementation of the scheme; take up

2.9 The level of funding was such that there was little delay in allocating funds, and Councils were in general able to respond relatively quickly and to deliver real outputs in terms of services. The level of funding was broadly right in view of the aim of rapid implementation and results. It also avoided significant under-spend by Councils, while service providers were not motivated to respond with price rises or de-registration of services.

2.10 The RPPT scheme successfully generated additional outputs in terms of more bus services and more kilometres of service available. Councils treated the funds as additional to their existing or core budgets (those determined by the councils during the previous October to March period) and did not re-allocate these existing budgets to other schemes. This is an important finding, as clearly any such re-allocation of core budgets would have meant that, in effect, RPPT was buying something other than additional rural bus services.

2.11 The injection of additional funds helped some councils to identify sub-optimality in their current (core or non-RPPT) service provision, whereby a better overall position can be achieved by substituting some new RPPT services for existing core services. RPPT has a spin-off benefit in enabling councils to try out services and by so doing to optimise their overall service provision, although this raises the question of whether current service and demand monitoring is adequate. The implication is that, even if RPPT is a temporary scheme, it will generate real and lasting benefits in such cases.

2.12 The level of year one outputs of bus services/kilometres depended significantly on the ability and/or willingness of individual authorities to respond to the allocation of funds. “Fast response” authorities tended to achieve more year one service outputs than slow response authorities, but the latter may well have achieved greater service outputs in year two because they allocated funds in year one into year two through forward loading of contracts or carry over of spend. In addition those authorities that invested in capital and in information provision (see below) may have laid the foundations for sustained positive outcomes. This of course depends on how well the capital and information expenditures address significant
constraints on use of public transport, and the extent to which councils were simply shifting money in order to avoid potential reductions in funding in year two.

2.13 It is generally the case in providing transport services that adding on more of the same is much less complex and can be achieved much more quickly than doing something innovative. The need to achieve rapid outputs from the RPPT favoured use of quick and easy to implement solutions rather than innovations. In many cases, councils identified scope for innovation which could potentially have delivered better value for money, but which they did not develop because of the need to spend within year one and subsequently the uncertainty of whether the grant would continue after the third year. Had councils been allocated a rolling budget for 3 –5 years, it is probable that alternative service options such as taxi services would have been tried

Implementation of the scheme; funding issues

2.14 As the funding for year one was available only from August/September 1998 but was a full year’s allocation, and given the possibility that failure to spend could potentially result in loss of money in subsequent years, councils attempted to deal with this through a number of measures, including spending on capital schemes, on information related schemes and front loading of contracts for future years. (In the event carry-over of spending was latterly permitted by the Scottish Executive.) The extent to which investment in capital and in information provision in year one laid the foundations for future growth in the use of public transport could not be tested within the time frame of the study. However examples could include where use of existing (and additional) services is constrained by lack of weather protection for users, allocation of funds to providing shelters (capital) may generate greater use of services, both existing and additional, and may therefore have a sustained effect which will give rise to enhanced outcomes compared with provision of services alone

2.15 The scheme would have benefited from clearer signals to councils regarding future funding and the scope for carry over of year one monies; generally councils would have preferred to have firmer assurances regarding retaining funding for year two, especially as year one was a effectively less than half a year in terms of achieving expenditure.

OUTCOME EVALUATION

Approach

2.16 The outcome element of the evaluation aimed to test the extent to which the RPPT had achieved its objectives. Given the relatively short time frame of the research it was only possible, in addition to looking at outputs, to consider interim outcomes. The strategic objectives of the RPPT are:

- to improve transport accessibility in rural areas
- to reduce social exclusion from transport services
- to improve connections in remote rural areas

2.17 In order to test the extent to which these objectives are being achieved on the ground 6 representative case study areas were selected; Orkney, Lochaber, Angus, Scottish Borders, West Lothian and South Lanarkshire and within each a range of services was assessed. The
likely use of each service was assessed using SONATA (SOcial Needs And Transport Accessibility), a methodology for estimating travel needs. Interviews were conducted with users, and also with local residents in order to explore awareness and attitudes towards these services. A total of 139 passengers on new services and 100 passengers on add-on services were surveyed, plus 213 local residents.

**Budgets**

2.18 The total funding allocation of £3.5m per annum represented an average increase in budget available for authorities of 22%; in the 6 case study areas the increase in budgets for tendered services ranged from 6% to 198% (in the case of Orkney). Five of the six case study authorities spent close to the 20% guideline figure on capital spending intimated by the Scottish Executive Highland and Strathclyde PTE allocated some of their additional funding to staff resources to develop rural services. Across Scotland, authorities managed to spend 85% of the commitment, and only 6 authorities spent less than 95% of their allocation.

**Outputs – services and costs**

2.19 In the case study areas 11,000 weekly bus miles were generated by the scheme, of which 14% were in remote rural areas, 45% in rural areas, and 41% in peri-urban areas. The average cost per mile of these additional services was £1.31 in remote areas, 49p in rural areas and 51p in peri-urban areas. Costs per mile were highest for completely new services in remote areas.

<table>
<thead>
<tr>
<th>area</th>
<th>type</th>
<th>weekly bus miles</th>
<th>% of total</th>
<th>cost per mile £</th>
</tr>
</thead>
<tbody>
<tr>
<td>remote</td>
<td>new</td>
<td>563</td>
<td>5.2</td>
<td>2.40</td>
</tr>
<tr>
<td></td>
<td>add-on</td>
<td>988</td>
<td>9.2</td>
<td>0.69</td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>1551</td>
<td>14.4</td>
<td>1.31</td>
</tr>
<tr>
<td>rural</td>
<td>new</td>
<td>642</td>
<td>6.0</td>
<td>0.52</td>
</tr>
<tr>
<td></td>
<td>add-on</td>
<td>4198</td>
<td>39.1</td>
<td>0.48</td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>4840</td>
<td>45.0</td>
<td>0.49</td>
</tr>
<tr>
<td>peri-urban</td>
<td>new</td>
<td>3682</td>
<td>34.3</td>
<td>0.43</td>
</tr>
<tr>
<td></td>
<td>add-on</td>
<td>671</td>
<td>6.2</td>
<td>0.90</td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>4354</td>
<td>40.5</td>
<td>0.51</td>
</tr>
</tbody>
</table>

2.20 The subsidy costs per day of operation of the case study services ranged from £5 in one peri-urban authority to £236 for one service in a remote rural authority.

2.21 Average subsidy per passenger trip on services within the case study areas was calculated using Electronic Ticketing Machine (ETM) data. Cost per trip varied widely depending on location and whether a service was a new one or an add-on to an existing service.
Table 2: Average subsidy per ETM trip

<table>
<thead>
<tr>
<th></th>
<th>Very Rural</th>
<th>Remote</th>
<th>Rural</th>
<th>Peri-urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>New services</td>
<td>user numbers per vehicle trip subsidy per trip</td>
<td>8.6</td>
<td>9.5</td>
<td>12.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£22.2</td>
<td>£1.1</td>
<td>£1.0</td>
</tr>
<tr>
<td>Add-on services</td>
<td>user numbers per vehicle trip subsidy per trip</td>
<td>8.4</td>
<td>35.5</td>
<td>7.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£2.7</td>
<td>£1.1</td>
<td>£3.9</td>
</tr>
</tbody>
</table>

2.22 Of the 28 services monitored, the subsidy requirement per passenger carried was lower than £1 in the case of 6 services and higher than £10 in the case of 5 services. Costs per trip on services in remote rural areas were very high, suggesting that more cost effective delivery mechanisms need to be developed, together with better tailoring of services to demand and better promotion. The unconventional services (Dial-a-Bus and taxi) appraised offered good value per potential social needs trip.

2.23 Distance covered by each service was used to calculate costs per passenger mile. Remote rural trips on new services have the highest cost per mile at £2.40 compared to the average of £1.02 for all services. The higher cost per passenger mile of new services compared to “add-on” services in remote rural areas is not surprising given that the latter may represent marginal additional costs for an existing operator. Explanations for overall high costs in remote rural areas include high “dead mileage” entailed by the lack of appropriate operators based within the communities now being served. Nevertheless calculations for service utilisation (passengers per trip) showed that the level of utilisation for rural “add-on” services is higher than for new services in rural, remote or peri-urban situations.

Outputs – the passenger market

2.24 A high proportion of the users of services in the case study areas, particularly the very remote rural areas, had no access to a car.

Table 3: percentages of bus users with no access to a car

<table>
<thead>
<tr>
<th></th>
<th>Very Rural</th>
<th>Remote</th>
<th>Rural</th>
<th>Peri-urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New and add-on services</td>
<td>71%</td>
<td>50%</td>
<td>62.5%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>New services</td>
<td>71%</td>
<td>60%</td>
<td>65%</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Add-on services</td>
<td>71%</td>
<td>37%</td>
<td>58%</td>
<td>55%</td>
<td></td>
</tr>
</tbody>
</table>
2.25 Taking new and add-on bus services together, 36% of those making the journey in remote rural areas would have made no journey without this bus service; the figures for residents in rural areas and peri-urban areas were 26% and 23% respectively. For new services introduced under the scheme the figures are significantly higher than for “add-on” services: 53% using new bus services in very remote rural areas would not have made the trip by any other mode. This suggests that key services have targeted their users successfully.

2.26 The survey showed that the bus services were used for a wide range of activities, the foremost being shopping, followed by visiting friends and relatives, and work. This would indicate that the bus services provide real opportunities to carry out activities which differ in their travel time requirements, and vary in nature. The services are therefore extremely important to this sector of society.

2.27 The surveys on the bus services revealed a large proportion of female and elderly users in each of the areas. Overall, 67% of those surveyed were female, with 25% over 65 years of age. 30% overall were retired compared to 41% employed. The bus services are clearly important to these groups of the population, and may be particularly so in rural areas, where proportions of retired service users were highest.

2.28 In order to assess the “value” of the services to users, passengers were asked about the degree of inconvenience which would be suffered if the service they were using was withdrawn. Of those using the new services introduced in very remote rural areas, 80% said they would suffer major inconvenience; the figure was 66% for those using new rural services and 50% for those on new peri-urban services. The equivalent figures for add-on services averaged 55% with little difference between areas. From this the relative benefit in terms of passenger trips can be calculated.

<table>
<thead>
<tr>
<th>Category</th>
<th>ETM data</th>
<th>Major inconvenience</th>
<th>Nos. of passenger trips per day</th>
<th>No. of passenger trips per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very remote rural</td>
<td>74</td>
<td>64%</td>
<td>47</td>
<td>7332</td>
</tr>
<tr>
<td>Rural</td>
<td>545</td>
<td>61%</td>
<td>334</td>
<td>69 472</td>
</tr>
<tr>
<td>Peri-urban</td>
<td>402</td>
<td>51%</td>
<td>207</td>
<td>53 820</td>
</tr>
<tr>
<td>Total</td>
<td>1021</td>
<td>61%</td>
<td>588</td>
<td>130 624</td>
</tr>
</tbody>
</table>

2.29 Surveys of residents showed a high awareness of the new and additional services, even amongst residents who did not use them: 87% felt their lives would be more difficult without them. Residents thought improvements could be made, in order of importance, by increasing frequency, increasing evening services and reducing fares.

2.30 SONATA, which models the non-car owning population’s propensity to travel, was used to calculate the hypothetical market for different services. From this analysis it was concluded that the services have been more successful in penetrating the “core” market of
residents who have no access to a car in rural areas, than they have been in peri-urban areas. The surveys identified some 11 trips per person per annum on the new and add-on services provided by RPPT within the target market. This is in addition to other trips on other services.

2.31 In summary, and in relation to the strategic objectives of the RPPT, while costs per trip were high and market penetration low in some cases, the services supported by the RPPT delivered significant benefits to the people who did use them, especially in remote rural areas. The services generally do meet the accessibility needs of their target markets, especially where people have very limited alternative opportunities for travel. A clear picture of high dependency on the services emerged within the remote rural areas; however, there is also scope for greater penetration into the non-car owning/using market. The surveys identified that withdrawal of services would cause high or very high levels of inconvenience among users, again especially on new services in remote rural areas. In peri-urban areas there were some clear social inclusion benefits, not entirely related to rurality. There were also potentially useful modal shift benefits.

Recommendations

2.32 The principal recommendations on the Rural Public Passenger Transport element were as follows:

Funding

- the scheme should continue with levels of funding at least as high as at present;
- there should be reasonable stability of funding to remove uncertainty and give authorities confidence to remove and modify services or try less conventional approaches;
- funding should continue to be made direct to local authorities;
- the existing distribution formula should be retained;
- modest one-off additional funding should be made available through remote rural authorities to allow them to commission reviews so that new ways are explored of delivering the most cost-effective services;
- there is scope for significant expansion of funding for peri-urban areas, including potentially for more urban authorities, which do not currently receive an allocation.
- the sensible way to allocate additional funds for these peri-urban areas is through a new competitive fund rather than through changes to the rural transport fund distribution.
- the proposed challenge fund should be open to all communities under the current 10,000 population threshold although it should be scoped to include slightly larger towns;

Promotion and targeting of services

- there should be more emphasis on promotion of services with targeted information for potential users, perhaps involving partnership with community councils or voluntary organisations or the employment of short-term mobility officers. A modest additional resource should be provided to promote rural services;
• investment in targeted bus services particularly in peri-urban areas can assist in tackling social exclusion and may have a positive influence on modal shift in areas with currently low levels of car ownership;
• monitoring of services by authorities needs to be improved. Costs of surveys should be a legitimate use of rural transport funding;
• clearer local objectives for supported services as a whole need to be set and monitored. These could be incorporated in authorities’ local transport strategies and include the identification of unmet needs, the respective roles of conventional bus and more innovative bus/taxi and community transport solutions, and an audit of vehicles and other resources available;
• more needs to be known about the transport needs of young people in rural areas. The Scottish Executive, perhaps in conjunction with interested local authorities, should consider a research study picking up issues in remote rural, rural and peri-urban areas.
SECTION 3 THE RURAL COMMUNITY TRANSPORT INITIATIVE

Introduction

3.1 There is a long history of community transport initiatives and other innovative transport services in rural parts of Scotland, ranging from community buses and dial-a-ride services to car schemes, postbuses and taxibuses. What has characterised many of these initiatives is an involvement of the local community in identifying unmet needs and direct action to address these needs although the support and assistance of local authorities and other bodies has often been vital.

3.2 There has been considerable interest in recent years in expanding the potential contribution of community transport and other non-conventional transport services in addressing rural transport needs. This interest has emanated from the Scottish Executive, local authorities, local and national politicians and particularly the community transport sector itself, both in the form of local groups and the Community Transport Association.

3.3 A number of community transport initiatives were funded through the old Rural Transport Innovation Grant scheme, but this placed severe limitations on applications, particularly with the assumption that services would need to become self-supportive within 3 years. This is not the reality for most rural community transport schemes as well as more conventional rural bus services. Even for those schemes using volunteers, the level of any contribution by passengers often does not cover all costs of administration and operation.

3.4 The aim of the Rural Community Transport Initiative (RCTI) therefore was “to fund community transport measures which will be of particular help in the more remote areas of Scotland, particularly where there are no scheduled bus services or where the services are very limited”. The RCTI was intended to particularly address transport difficulties in more remote rural areas. £0.6M per annum for the three years from 1998-99 to 2000-2001 was set aside to fund the RCTI.

PROCESS EVALUATION

Implementation of the scheme; the allocation process

3.5 The distribution mechanism for this element of the fund is very different to the core public transport (RPPT) subsidy. The 2 key factors that differentiate it are as follows:

- it is distributed at a national level rather than through local authorities.
- the fund is the subject of competitive bids from community transport groups and other community organisations

3.6 One advantage of the application system is that it enables potential projects to be carefully scrutinised and judged on their merits. This is particularly appropriate for community transport and other innovative schemes where the level of experience and understanding in developing and operating transport services varies considerably. Because most community transport schemes involve both planning and running a service, they are very different from the tendered bus services funded by the other element of the Rural
Transport Fund. With these, the operator is not actually devising the service but merely submitting a price for operating a service specified in detail by the local authority or Strathclyde Passenger Transport.

3.7 The level of funding available for the Rural Community Transport Initiative, (£0.6m pa) whilst a major increase for this sector, was also not at a high enough level to favour more local distribution methods. The scheme has been over-subscribed in all the funding rounds to date.

3.8 A Steering Group was set up to help develop and implement the initiative. The Group was chaired by the Scottish Executive with representation from the Community Transport Association, COSLA, the Association of Transport Co-ordinating Officers and, until its demise, the Rural Forum.

3.9 The Group used a fairly basic individual scoring system for applications which worked well, enabling projects to be categorised into high priority that the group would like to see funded, those that could be funded and those that should be refused or told to re-submit following further work. The ability of the Group to suggest that applicants had a basically good proposal but that it needs further work is a definite attribute of the process, particularly given the ability of such an application to receive additional advice and support from the Rural Transport Officer (Scotland) before re-submission.

3.10 A major issue is that some authority areas generated very few, if any, applications and subsequent funding. The creation of new development posts has tended to mirror the existing distribution of grants and may well result in even more bids from those areas that have already benefited most from the scheme. Local authorities play a key role in stimulating projects and action is required to encourage and enable other authorities to develop and promote project applications.

3.11 The findings on the process evaluation for RCTI were very positive, with the roles of the CTA Rural Transport Officer (Scotland) and the Steering Group seen as particularly valuable. Issues identified were the need to improve and develop guidance on matters such as vehicle accessibility and driver training.

**The Role of Development Officer Posts**

3.12 Significant levels of funding from the RCTI scheme have been made available for community transport field officer or development worker posts. These posts have been supported in a number of authority areas in rural Scotland. Such projects can provide medium to long term benefits in stimulating communities to examine unmet transport needs and to develop appropriate schemes to meet these. There is, however, concern about the length of time it takes for such posts to become established and the dangers of postholders quickly moving on to more stable employment opportunities. It is also apparent that many of these posts are being funded in those council areas where there is already a good level of community transport activity.

3.13 These types of posts have a valuable role but new posts may need to be specifically targeted at areas with limited levels of RCTI awards and applications to help stimulate new developments.
3.14 The relationship of these posts to the local authority and to the Community Transport Association Rural Transport Officer (Scotland) needs careful consideration. The evaluation concluded that there may be more merit in expanding the CTA resource which is much valued by most schemes applying for grants rather than funding more local community transport posts. This would help spread models of good practice and could be a very pro-active resource to try and tackle the current patchy geographical distribution of projects.

3.15 It is vital to ensure good levels of co-operation with local authorities. This is particularly important in more remote rural areas where community transport based initiatives may have a major role to play in providing public transport type services given the high subsidy costs and limited market penetration emerging from some conventional bus services in these areas.

Implementation of the scheme; take up

3.16 The RCTI scheme is delivering a large number of new and enhanced community transport projects in rural Scotland. Over 80 projects of all sizes have been awarded grants through the RCTI - this represents a major expansion of this transport sector.

3.17 The distribution of grants (and applications for grants) has particularly favoured remote rural areas and this distribution is even more marked in their favour than for the distribution of the RPPT, with 40% of the grants awarded to remote rural, 36% to rural, and 24% to peri-urban areas.

Figure 1: Total grant awarded by council area

Implementation of the scheme; funding issues

3.18 One factor that the Rural Community Transport Initiative had in common with the public transport element of the scheme was the allocation of a full year’s funding in a truncated year. However, whilst this caused real problems in relation to the public transport
element, the same impact was not felt in respect of the RCTI. Although there was a concern by the Scottish Executive at the start of the process to ensure that the money was allocated quickly and spent in the first year, the high level of funding requests for vehicles and other capital expenditure minimised the problem. This is not to say that the truncated year had no negative impacts. The main ones were the need to have two tranches of applications closely together and the impact of this on the workload of the Rural Transport Officer (Scotland) and therefore on the level of support that could be given to groups. This was not felt to be a major problem however.

3.19 One major problem associated with the allocation of funding is that when the RCTI was launched, funding was potentially available for up to and including the financial year 2000-2001. This was a reasonable period over which a group could plan the funding and operation of its project if ongoing financial support was required. However, as time has gone on, this period has become shorter to the extent that it became increasingly difficult to fund anything but one-off capital or revenue spend, thus influencing the outputs and outcomes of the funding. The concept of a rolling three year programme of funding, which is being considered by the Steering Group, would overcome this problem.

OUTCOME EVALUATION

Approach

3.20 The outcome evaluation of the RCTI aimed to test the extent to which the scheme had achieved its main aim (to fund community transport measures which will be of particular help in the more remote areas of Scotland, particularly where there are no scheduled bus services or where the services are very limited), and thus the objectives of improving transport accessibility in rural areas; reducing social exclusion from transport services; and improving connections in remote rural areas. The achievement of these objectives were assessed by using case studies within different areas and covering different types of initiative. Nine community transport case studies were undertaken. The main elements to the methodology were an analysis of application forms and progress reports submitted to the Scottish Executive by each project, discussions with the individual scheme managers and surveys of the scheme users.

3.21 The case studies were, where possible, selected from the 6 case study areas used in the RPPT evaluation. The type of community transport operation was also used to select case study schemes. A large range of different types of initiative had been funded by RCTI and it was felt to be important to examine the performance of most of these types to see if there were differences in meeting original objectives.

3.22 The key types were identified as Group Hire Minibus Schemes, Dial-a-Bus Schemes, Minibus scheme hiring in vehicle, Community Ferry, Car Scheme, Vehicle Co-ordination, and Community Transport Development Officers.
Remote Rural:
Orkney:
• Westray Drop in Centre – group hiring in vehicle from commercial operator

Highland (Lochaber):
• Kilchoan Ferry Action Group – group hiring in ferry to provide public transport services
• Acharacle Community Council – outside bus operator hire for community and voluntary groups
• Mallaig and District Community Transport Association – new accessible minibus

Rural
Scottish Borders:
• Scottish Borders Rural Partnership – Rural Community Transport Fieldworker

Dumfries and Galloway:
• Annandale Transport Initiative – Group-hire minibus scheme (these were selected due to the lack of RCTI projects funded in Angus and the desire to incorporate a larger group transport scheme and a car scheme).
• Stewartry Good Neighbours – social car scheme and good neighbours scheme using volunteers’ own cars

Peri-urban
South Lanarkshire
• Avondale Community Transport – Community bus directly or by hire for voluntary and community groups, disabled people, the frail, elderly and other disadvantaged individuals in the community

West Lothian
• West Lothian handicabs – provide transport for disabled and elderly people living in the area

3.24 The main findings from the case studies were:

• Schemes hiring in commercial bus and boat operators to deliver the services emerged as providing particularly good value for money.
• Many schemes are based on solid community transport practice but also good examples of innovation, both in terms of service delivery and also methods of working, such as partnerships between voluntary organisations and with the commercial sector.
• The importance of on-going funding for existing projects that would otherwise struggle to survive and also enhancements to existing services and totally new projects.

Outputs – Services and Costs

3.25 Projects awarded funding towards vehicles showed high overall costs per trip, unless the capital resource was depreciated over a number of years. Projects that relied on
commercial bus operators to provide the actual service delivery showed low overall subsidy costs.

3.26 Subsidy costs from the RCTI varied significantly but this alone is not a good indicator of economy or efficiency because this was normally part of a mix of funding. A better indicator was the overall cost per trip which showed significant variation between individual schemes but also some patterns. Schemes awarded funding towards vehicles showed high overall costs per trip unless the capital resource was depreciated over a number of years. Schemes that relied on commercial bus operators to provide the actual service delivery, despite involving paid rather than volunteer staff, showed low overall subsidy costs. The overall cost per trip of the community ferry service examined, although higher than land based schemes, also represented good value given the tightly regulated and traditionally costly nature of ferry operations.

3.27 Overall, subsidy costs for RCTI were higher than for RPPT bus services in rural and peri-urban areas but lower than those for RPPT for many remote rural area bus services.

3.28 In terms of RCTI subsidy per passenger trip, there are three schemes in the region of £8-10 subsidy per trip, Annandale, Handicabs and Mallaig with the other three for which figures are available recording subsidy figures of £2.50 per trip or less. However, much of this differential can be explained by the fact that that the first three have all received funding towards vehicles which have been allocated across only two years of spend. In reality, these vehicles will last the groups for five years or more and thus represent significantly better value than this would indicate.

Figure 2: RCTI Subsidy per trip and total subsidy per trip

3.29 The graph of total subsidy (Figure 2) looks at the overall expenditure on the scheme including RCTI funding and all other grants. This provides figures in a range from less than
£2 in the case of the drop in centre to around £25 per trip for the ferry service. However, these figures need to be considered in relation to the type of service provided. Given the complexity and safety regulations applying to ferry operations and the high public subsidy normally associated with running such services, the subsidy for the ferry service, at a rate comparable with several of the RPPT remote rural bus services, would seem to represent very good value indeed.

3.30 The costs of running the Handicabs service also appear very reasonable, given that it provides a bespoke service with high quality vehicles and paid drivers, for elderly and disabled people unable to use conventional public transport. The overall cost of around £12 per trip is higher than all peri-urban RPPT bus services but lower than some rural and remote rural services and about the norm for many dial-a-ride services in other parts of Scotland. Again, the real figure would be significantly lower if the vehicle costs were spread over a more realistic 5 or 6 year period. One reason for such reasonable costs is that the scheme funded by the RCTI is an expansion of an existing scheme which only required to cover marginal additional costs of the vehicle and driver. The core costs of the office and booking function are already covered by core funding.

3.31 Enhancements to existing community transport schemes can be particularly cost effective as core administrative and set up costs often do not need to be replicated. These organisations have the necessary expertise to introduce schemes quickly and have well established monitoring systems in place.

**Outputs – the passenger market**

3.32 An analysis of passenger numbers using the case study schemes was undertaken which shows a range from just under 1500 to almost 12,500 passengers per year.

**Figure 3: Passengers per scheme**
3.33 Much of this variation can be accounted for by the nature of the service provided. A scheme providing group type transport in reasonable sized communities would be expected to carry more passengers than a more limited scheme such as a drop-in centre just targeting transport to and from the centre a couple of nights per week. Similarly, schemes using paid drivers and booking staff such as Handicabs, would be expected to make more intensive use of vehicles and thus carry more passengers than a volunteer run scheme. However, overall usage has exceeded the targets set by many groups and continues to rise, reflecting no doubt the emphasis many schemes put on promoting services within the local community.

3.34 The survey of users of the case study schemes has highlighted that overall some 74% of journeys would not have been made without the schemes. However, this is not that surprising given the nature of the schemes in targeting either specific types of users, such as those who are unable to use conventional bus services, or specific types of journeys, e.g. the winter ferry or group type trips. It is, however, a very strong indicator of the level of dependence on the services with few other alternatives often available to users.

**Figure 4: Overall reasons for using this service**

3.35 The survey of users looked at the range of journey purposes for which the case study services were used. This showed that overall the most popular reason for using the schemes was for shopping, with 70% of responses. This can be seen in the figure below (overall responses). Medical reasons were the second most important reason for using these schemes at 32% overall. Going to social/leisure clubs, and visiting friends and relatives were the next most important journey purposes for these schemes.

3.36 While projects targeted at group usage clearly enabled people of all ages to travel for leisure and other purposes, projects targeted at individuals showed the most dramatic benefits. Some 25% of users of these schemes would have become housebound without the
service and many more would have more restricted opportunities for shopping and social visits. The picture also emerges of more dependent users of individual based services with over 70% experiencing problems with walking compared to some 25% for group transport users. Overall, therefore, RCTI delivers significant benefits to users, especially projects targeted towards individuals.

3.37 Services targeted at individuals have the greatest scope for achieving the objectives set of reducing social exclusion although group based schemes still had an important role, particularly for a wider range of users including young people.

Recommendations

3.38 The principal recommendations on the Rural Community Transport Initiative element were as follows:

Funding

- The RCTI scheme should continue to operate with overall levels of funding at least as high as at present. An increase in funding will be needed to maintain schemes already developed and to develop further new initiatives.

- A three year rolling programme of funding with a periodic review would provide much needed stability.

- There is significant scope for an increased role for CT type initiatives in more remote rural areas. An increasing proportion of RPPT allocations could be channelled to CT initiatives.

- The current competitive allocation system should be retained although with some fine-tuning.

- Funds from the RCTI for the ongoing support of organisations could be devolved via the local authority which could then develop service level agreements on a rolling three-year basis with the scheme, encouraging greater integration of CT services within the overall transport mix.

Promotion and targeting of services

- Particular priority should be given to schemes that provide services for individuals; existing group hire schemes should be encouraged to widen their role by providing such services.

- Local authorities should be encouraged to develop clear rural transport strategies as part of their Local Transport Strategies.

- Applications to the RCTI for research by local communities into unmet transport needs and audits of existing transport resources should be encouraged.

- Positive action should be taken to promote new CT initiatives in those areas that have currently received little or no support.
• Good practice in the provision of rural community transport services should be promoted through dissemination of information on good practice e.g. through the new Good Practice Guide.

• The programme of monitoring of projects should be continued but with an additional requirement to provide basic passenger trip and mileage data.
SECTION 4 THE RURAL PETROL STATIONS GRANT SCHEME

4.1 A study undertaken in 1998 by ERM on behalf of the Scottish Executive identified a range of factors which made rural petrol stations particularly vulnerable to closure, the two principal ones being price competition, which threatens throughput, revenue and profitability, and regulatory requirements which involve significant capital expenditure if they are to be met. The study also explored the impacts of petrol station closures which, in addition to loss of jobs in petrol stations, included the need for additional travel to refuel.

4.2 In response to these concerns the Government introduced the Rural Petrol Stations Grant Scheme (RPSGS). The aim of the scheme is to “support the retention of a sustainable and accessible network of fuel supply throughout rural Scotland”. (It is understood that the original aim of retention has been expanded to also cover new development.) The RPSGS is a capital programme directed at helping rural petrol station owners with the cost of replacing old fuel tanks, pumps, meeting groundwater protection requirements and implementing Petrol Vapour Recovery (PVR) Stage 1 controls. In April 2000 the scheme was extended to assist with the installation of tanks and dispensers for the supply of Liquefied Petroleum Gas (LPG) which will provide an alternative, cheaper, more environmentally fuel supply. The purpose of this programme is to guarantee the maintenance of a network of rural petrol stations

4.3 The scheme is administered by Highlands and Islands Enterprise (HIE) and Scottish Enterprise (SEn) through the network of Local Enterprise Companies (LEC). Initially £400,000 was earmarked for the scheme for the three years from 1998-99, and an additional £300,000 was allocated in the 1999 Budget for 1999-2000. At the same time the eligibility criteria were relaxed in order to increase the number of rural stations eligible for assistance. Grants are normally up to 50 % of cost, but this is exceeded in exceptional circumstances. To qualify for assistance, a rural petrol station must:

- be at least 30 minutes drive time from the edge of peri-urban area (defined as an area with a population of over 30,000)
- have a throughput of less than 1 million litres per annum
- be at least 8 miles by road from its nearest neighbouring petrol station
- sell lead free petrol and diesel

4.4 Eighteen projects were approved from the period since scheme inception in late 1998 to the end of 2000-2001 and a further 34 are at early stages of consideration. All these projects are in the Highlands and Islands Enterprise (HIE) area, and no projects have yet been approved in the Scottish Enterprise (SEn) area.

PROCESS EVALUATION

4.5 The process evaluation was undertaken in parallel with the outcome evaluation.
Implementation of the scheme

4.6 By late 2000 the LECs in the HIE area had achieved the following,

- 4 projects approved between November 1999 and March 1999
- 10 projects approved in 1999 - 2000
- 4 projects approved in 2000 - 2001 of which one was for LPG provision
- a further 34 projects, of which 17 were for LPG and 17 for tanks and pumps, with approval pending in financial year 2000 to 2001.

4.7 If all of these proceed, the HIE area will have 52 projects over a period of as many months, of which 18 will be for LPG.

4.8 The study found that in the HIE area the scheme has been well designed, targeted, marketed and administered and is very relevant to critical and immediate business needs of its target audience. Grant recipients were complimentary and the only general criticism related to the high costs of the actual physical works, which was claimed to be due to lack of effective competition among qualified contractors. This is perhaps unsurprising given the somewhat specialised nature of the works and the limited market in the HIE area. The views expressed by LEC personnel confirmed that the scheme is relatively easy to market and process, as it is a straightforward grant with well defined criteria.

4.9 By contrast in the Scottish Enterprise area no projects have been implemented under the scheme to date. The study therefore focussed on obtaining views from SEn on the scheme itself in order to explore the reasons underlying the lack of projects. SEn’s experience of promoting the scheme has been that it is very difficult in the SEn area to meet the eligibility criteria, and in particular the need for a station to be at least 30 minutes drive time from a population centre of 30,000 or more people. Other factors include the use of a grant scheme, which does not sit well with the business development approach of its providers in the SEn area (compared with HIE with the history of the social remit of its predecessor the HIDB), and a concern that the scheme may not deliver value for money because of problems of additionality and displacement inherent in its design.

OUTCOME EVALUATION

4.10 The outcome evaluation was undertaken by means of 5 case studies in the HIE area, in Morvern and Ardnamurchan (Kilchoan, Lochaline and Strontian), Great Cumbrae (Millport), and Coll. Interviews were conducted with those involved in generating and processing the applications for funding under the scheme, and with the project holders. The case studies were used to investigate process issues and issues of additionality. Outcomes were explored by means of surveys of users and non-users. The intermediate (as opposed to final) outcomes assessed through the surveys were:

- mileage saved through retention of the assisted rural petrol station
- potential impacts of closure, such as costs and inconvenience: here business and non-business impacts were distinguished
- issues regarding fuel supply for tourists and visitors and possible impacts arising from closure of the rural petrol station.
Outputs - Additionality and displacement

4.11 For the case study projects the retention of the station was due to the funding provided and hence impacts arising from that retention were 100% additional. Without the RPSGS grant the stations would have closed when forced to do so on safety and/or environmental grounds.

4.12 The evaluation assumed that investment in conventional petrol stations was the only available safe technology. It is recognised that people resort to illegal methods to save fuel costs, such as filling additional cans while filling up at low cost petrol stations in larger towns. Closures of stations would almost certainly increase such practices, but it was assumed that this would be limited by factors such as the capacity of car boots and enforcement by police, local authorities and Calmac, and therefore would not affect the conclusions on additionality.

4.13 In future, provided steps are taken to avoid over provision of stations, which is the role of the distance criterion, and provided the funding criteria are applied correctly and where necessary competitively, the research concluded that overall impacts of the scheme should be 100% additional. Displacement should also be zero or minimal, again because of the distance criterion. The distance criterion is therefore important for the success of the scheme, and one of the issues explored later is the extent to which additional travel would be required, and whether there is some threshold of cost and inconvenience which would lead to severe adverse effects on rural communities.

Outputs – petrol stations

4.14 In the HIE area 17 projects for petrol tanks and pump works and 1 for LPG had been approved, and 17 petrol station and 17 LPG projects were pending, of which 5 LPG projects and 6 petrol projects had cost estimates at the time of the research. The data available on numbers of applications and projects suggested that the process of handling initial enquiries is effective in that it does not generate applications which cannot secure funding.

4.15 Projects were being processed at around 1 per month on average and the amount of variation in project value between time periods was small. Over the whole period, the RPSGS scheme accounted for 61.7% of total project costs, while LEADER accounted for 8.4%, so that non-public funds accounted for just under 30% of project costs. Average costs per project are shown in Table

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4.16 As more projects have come forward costs have declined marginally, while the proportion of both RPSGS funding and LEADER funding have both fallen, the latter significantly. The proportion of total costs met by RPSGS funding declined slightly from 62% to March 1999 to 57% for those approved 2000-01 and 55% for projects pending at the time of the evaluation.

4.17 As the concept of a network of supply is not defined per se, it is not certain whether the completed plus expected projects will represent a substantial completion of the network of fuel supply, which is the key intended output of the scheme. Using the ERM data, it would appear to be the case that over 50% of need identified in that study will be met from the current plus expected cases by the end of financial year 2000 - 2001.

Outcomes – effects of closure

4.18 The intermediate outcomes of the RPSGS are defined in relation to the objective of preventing the closure of rural petrol stations i.e. estimating what would happen if the station closed. These vary considerably, depending on:

- the availability and location of alternatives and the degree of use made of these at present, which of course is a factor affecting the viability of the assisted rural petrol stations
- personal and business circumstances, including factors such as personal mobility and dependence of businesses on tourism
- in the case of mainland petrol stations, whether one or more stations within the supply network were to close.

4.19 The immediate outcomes of closures are costs imposed on individuals and businesses, as road travel costs in the case of the mainland, and as ferry costs for island residents. These costs should properly include leisure or business time costs, as additional travel by road vehicle or ferry represents a loss of productive or leisure time.

4.20 The time and financial costs of closure cause different degrees of added inconvenience depending on location and circumstances. The proportion of respondents anticipating major inconvenience following closure is lowest in Great Cumbrae at 13 %, but this is more than doubled in Morvern/Ardnamurchan. For Coll the costs of alternative access are such that the effects extend beyond inconvenience to a scenario in which island life comes to a standstill, which would reasonably be expected to result in large scale outward migration from the island if no alternative way of providing fuel could be implemented.

4.21 The mainland case study identified that those potentially most affected by a hypothetical closure would be small businesses, retired people and people with disabilities. Assisting the former is in keeping with economic policy, while retired people and people with disabilities are target groups for social policies. The scheme does not however discriminate between these target groups and those who could pay more and therefore performs neutrally in terms of equity.

4.22 In relation to non-residents the surveys were able to capture the views only of people who had not been deterred by perceived problems of fuel availability, fuel prices or other factors. The results indicate that at the present level of provision, the impact of fuel supply on those who visited the survey areas was minimal, as there is no evidence of behavioural
changes which would result in loss of expenditure. (There is a need to look for evidence of impact in other surveys of tourists who did not visit rural or remote areas).

4.23 The efficiency and effectiveness of the scheme varies depending on context; the scheme is most cost effective in areas of larger population where the petrol station is used more intensively. This suggests that it would be useful to give some consideration to potential outputs and outcomes at the appraisal/approval stage providing this does not overly complicate the scheme. On the outcomes side, the scheme saves people time and additional mileage, and may cost as little as 20 to 30 pence to save £1 of generalised cost in a single year. The scheme also saves people from major inconveniences in travelling for fuel, and in even smaller numbers helps to retain people in rural areas – the latter depending heavily on the costs and availability of alternatives. There is also an unquantified but positive option value reflected in the qualitative responses to the surveys.

4.24 Given the size of the car dependent market and the nature of the scheme itself, the research concluded that RPSGS represents good value for money in terms of both its output and outcome objectives. It is more difficult to be so categorical in terms of final social/rural life objectives, as these depend on the area and on whether other sources of fuel could be available. Nonetheless, the evidence from the surveys indicates that, in some areas at least, there are significant final outcome benefits achieved at modest cost.

Recommendations

4.25 The principal recommendations for this scheme were as follows:

- Consideration should be given to relaxing the drive time condition, possibly accompanied by a marginal increase in the 8-mile distance criterion back to 10 miles. This distance criterion should be expressed as a drive time of 15 minutes, to address the issue that drive times over a given distance are longer in most of the HIE area and in the most rural parts of the Scottish Enterprise area. This is likely to stimulate enquiries for the scheme in the Scottish Enterprise area.

- There should be a “mini” prior appraisal for each proposal to assess whether that proposal is likely to meet objectives (intermediate or ultimate, to be determined) in a cost-effective manner; but this should be linked to a relaxation of the eligibility criteria.

- The scheme should continue as a grant scheme with no clawback or loan/equity component but LECs should be required to ensure that the grant is the minimum needed to enable the project to proceed.

- In dealing with proposals, LECs should, in parallel, examine where business development advice and assistance might enable the rural petrol station to perform better as a business and community facility; funding proposals should be accompanied by a business assessment/SWOT analysis and recommendations.

- The scheme has to be delivered by an agency capable of undertaking the business assessment and of providing advice and assistance. LECs are currently best placed to do this and no immediate changes are proposed to the general administration of the scheme.
• For the Scottish Enterprise area, the proposed changes in the eligibility criteria and in the nature of the scheme, in particular adding a stronger and more explicit business development function should stimulate the LECs to promote the scheme and hence generate enquiries and projects. Progress should be monitored closely over the next 6 to 9 months; if in this time no projects are forthcoming, consideration should be given to alternative delivery vehicles.

• The LPG scheme is a welcome addition to the rural petrol station scheme, however progress of the LPG element was not reviewed given that the addition of LPG is fairly recent. An early process review should be undertaken, as there are concerns that the eligibility criteria are too strict, with the distance from nearest station being out of balance with that specified for the petrol stations.
SECTION 5  OVERVIEW AND COMPARISON BETWEEN THE SCHEMES

5.1 The Rural Transport Fund (RTF) comprises three discrete elements which have been targeted at different segments of the rural travel and transport market, namely the car owning/using segment, through the rural petrol station scheme (RPSGS); the mainstream public transport segment, through the rural public passenger transport scheme (RPPT); and the non-mainstream, limited mobility segment, through the rural community transport initiative (RCTI). RPPT is aimed at a rural population of some 1,450,550 people and there are no significant elements of the travel market in rural areas whose needs cannot be addressed through the RTF. The fact that all three segments of the market come within a single overarching package makes for efficiency in administration and resource allocation between the package elements.

5.2 The package elements are markedly different, making comparisons difficult. RPPT is an annual block grant to local authorities, while RCTI is a competitive revenue and capital scheme and RPSGS is a capital scheme allocated through Highlands and Islands Enterprise and Scottish Enterprise according to a set of eligibility rules.

5.3 The main part of the study assessed the outcomes and outputs of the schemes and the costs of achieving these. The approach adopted was to assess each element of the RTF against a number of economy, efficiency and effectiveness indicators, derived from the objectives of the scheme. In addition to cost and use criteria, the central issue was the cost of enabling rural residents to avoid major travel inconvenience, which is essentially a test of accessibility on the part of end users.

5.4 RPPT funding amounted to £3.5 million in a full year, equivalent to an annual sum of £6.60 to £8.10 per person in the estimated target market for the scheme; this is equivalent to £75 to £92 per person if the scheme were to run for 20 years (and costs were discounted at 6% per annum). The final costs of the RPPT are not known yet, but may amount to some £3.0 million; if this were the case, the cost per car user would be just under £3 for the lifetime of the scheme, assuming a 20 year life.

5.5 The services supported by RPPT delivered significant benefits to users, particularly those in remote rural areas and those with no alternative means of transport. RPPT saves people varying levels of inconvenience in travelling, compared with a situation in which the service/route funded through RPPT was not available for use. The findings with regard to inconvenience varied widely, with people in remote areas experiencing the greatest beneficial impacts in terms of reduced inconvenience. The cost of enabling a person to avoid major inconvenience through RPPT was £300 - £350 over a 20 year lifetime.

5.6 With the RCTI, there is evidence of a wide range of subsidy costs per project, although this alone is not a good indicator of economy or efficiency because this was normally part of a mix of funding. A better indicator was the overall cost per trip which showed significant variation between the schemes, but also some patterns, for example, between the schemes that were awarded funding towards vehicles (high costs), the schemes that relied on commercial operators to provide the actual service delivery (low costs), and the voluntary car schemes (low costs). Subsidy costs were higher for RCTI than for RPPT bus services in rural and peri-urban areas, but lower than many remote rural bus services. Enhancements to existing CT schemes can be particularly cost effective. There were
significant benefits to users particularly for schemes targeted at individuals; for example when scheme users were asked how they would be affected if the service no longer operated, 25% of individual group users indicated that they would be housebound without the service.

5.7 RPSGS generates two benefits, namely user cost and environmental savings in avoiding the need to travel longer distances for fuel, and the avoidance of the associated time and inconvenience of making fuel collection trips. In case studies, the financial returns in terms of user cost savings were found to be very large and represent a ratio of financial benefits to grants ranging from 39 to 57 times the level of grant over a 20 year period. Another way of looking at this is to consider how the scheme helps rural residents to avoid major inconvenience, which is a proxy for saving time, cost and other factors. In the case of RPSGS the 20 year cost of saving a person major inconvenience was £200 to £930 per person; allowing for journeys involving more than one occupant would reduce this cost. As cars and other vehicles were also used for business purposes, there may have been further benefits associated with business use. There was little evidence of inconvenience among tourists who did visit the rural areas, but the study did not explore the impact of fuel availability (including perceptions regarding availability) among tourists who decided not to visit these areas. There is potential to reduce the costs to the public sector of the RPSGS, but only at the cost of a much more complex scheme, which would be more difficult to administer and whose take up and implementation rates would be reduced.