



Appendix A: Setting up the National Community Transport Pricing Model Project

This section covers:

- **Project background**
- **Working Group and National Representation**
- **Sector Pricing and Policy Co-design Consultation Approach**

Section 1 - Project Background

Over the years, the Australian Community Transport Association (ACTA) identified and consistently advocated to address a critical issue in the community transport sector: community transport service providers are not being accurately or fairly compensated for the services they deliver under various disability and aged care funding programs. Given the complexity of community transport, particularly in supporting participants with diverse and often high-support needs; ACTA built strong, long-term relationships with the Commonwealth Government. Over the course of ten years, this enabled two-way education and dialogue about what community transport actually delivers, how it is delivered, what it truly costs, and the real-world benefits for participants.

This sustained engagement led to the initiation of the **National Variable Pricing Matrix (NVPM)** a cornerstone advocacy and innovation project. The NVPM was designed to establish a sustainable financial model to support the long-term viability and consistency of community transport services across Australia. It marked the beginning of work on a comprehensive pricing and policy model that would reflect the true cost of community transport delivery, while promoting equitable, affordable, person-centred, and dignified access for those who need it most.

To advance this initiative, ACTA sought funding from the Commonwealth Government and other stakeholders to support detailed research, refinement, and development of the pricing framework using real-world data and an evidence-based approach. Early in 2023, a formal proposal was submitted to the Department of Health, Disability and Aged Care (the Department), outlining a roadmap to:

- Establish the policy requirements underpinning the model
- Design a data collection strategy for cost analysis
- Undertake policy and data analysis
- Build a robust pricing model tailored to the realities of the sector and its participants

In late 2023, ACTA was awarded the contract to deliver this work by the Department of Health, Disability and Aged Care, with additional funding support from the Australian Cooperative Research Centre (iMove). In line with its commitment to academic rigour and evidence-based practice, ACTA launched an open tender process to appoint a research partner. Through this competitive process, the **University of South Australia (UniSA)** was selected.

Under the agreement with the Department, the project initially focused on **Commonwealth Home Support Programme (CHSP)**-funded community transport services. To ensure strong representation across the sector, ACTA issued an open expression of interest in 2023, inviting CHSP-funded community transport providers nationwide to participate in the project's working group. A total of **33 organisations** were selected, representing all states and territories, diverse business models, service sizes, and operational contexts. (See Section 2: Working Group and National Representation for details.)

Following the official launch of the project with UniSA, the Department, ACTA, and the working group, the initiative progressed through a series of consultation workshops, operational and financial data collection phases, and qualitative research interviews. These inputs informed UniSA's development of a comprehensive pricing framework, including policy recommendations and operational parameters to guide future funding models.

As the project evolved and results surfaced the project was renamed to reflect its expanded vision: the **National Community Transport Pricing Model (NCTPM)**. The NCTPM was designed not only for CHSP-funded services, but also to be applicable across NDIS and other aged care transport programs. In response, ACTA, the Working Group, and UniSA expanded the model to include a detailed **evaluation framework**, enabling the analysis of key cost drivers such as:

- Distance and geography
- Participant needs
- Labour and capital inputs
- Technology and reporting requirements
- Implementation and compliance

Upon completion of the evaluation framework analysis, these inputs were used to develop a nationally adaptable pricing formula along with pricing and policy recommendations. The project concluded in **June 2025**, culminating in the delivery of a comprehensive final research report package, which includes:

1. UniSA's final research report, including the recommended pricing formula
2. Five detailed case studies
3. The *Pricing and Policy Arrangements Guide*, including implementation recommendations
4. A dedicated advocacy report to support national uptake of the NCTPM

Together, these deliverables provide a practical blueprint for building a sustainable, equitable, and future-ready community transport system across Australia.

Section 2 – Working Group and National Representation

To ensure broad-based input and representation across the community transport sector, ACTA launched an open Expression of Interest (EOI) process in late 2023, inviting Commonwealth Home Support Programme (CHSP)-funded community transport providers to participate in the pilot. This formed a key component of the Community Transport Pricing Pilot (CTPP), later renamed the National Community Transport Pricing Model (NCTPM) project. The objective was to establish a working group that reflected the sector's diversity across states and territories, service delivery models, organisational sizes, operational contexts, and geographic challenges. Through this competitive yet inclusive process, 34 organisations were selected from every state and territory in Australia. The selection was guided by clear criteria:

- Geographic representation (urban, regional, rural, and remote areas)
- Diversity in organisational scale (small, medium, and large providers)
- Varied business models (not-for-profits, local governments, councils, and mixed-service community organisations)
- Willingness to commit to active engagement throughout the project's lifecycle, including a nine-month data collection period

These organisations were asked to contribute detailed operational and financial data, participate in consultations and interviews, and collaborate in co-designing the pricing model and policy arrangements. The level of commitment from the working group was exceptionally high, with most participants consistently engaging in monthly working sessions over 18 months, providing feedback on draft materials, and supporting the development of advocacy, policy, and pricing outputs.

- However, the project also highlighted the varied sustainability challenges it sought to address. For example, Tennant Creek Transport in the Northern Territory was forced to withdraw due to financial unsustainability and funding constraints. The eventual closure of their service, which was publicly reported, underscored the fragile operating conditions faced by remote community transport providers. Learn more about this here: Adams, T. (2024, June 28). Tennant Creek Transport ceases operations, citing insurmountable challenges. Australian Rural & Regional News. [Tennant Creek Transport ceases operations, citing insurmountable challenges | Australian Rural & Regional News](#)

- EPIS Incorporated in Western Australia exited the pilot early, citing a lack of internal resources to meet the project's data collection and participation requirements.
- Communities at Work in the ACT also discontinued their transport service offering due to sustainability and funding pressures. However, ACTA and UniSA successfully collected their data contributions up to January 2025, the official cut-off for data inclusion in the pricing model analysis.

These withdrawals highlighted a key finding: without a fair and evidence-based pricing model, community transport providers cannot remain viable, leaving vulnerable, frail, and disadvantaged Australians without access to critical transport services.

Despite these challenges, 31 organisations successfully completed the pilot. This was made possible by ACTA's ongoing engagement, leadership, and facilitation strategies, which ensured the working group remained focused, united, and actively involved in all phases of the project. From the development of discussion papers to advocacy reports, every official document and recommendation produced through the NCTPM project was co-designed in collaboration with the working group.

This collaborative model not only enhanced the legitimacy and relevance of the outcomes but also set a benchmark for sector-wide engagement, transparency, and shared ownership in advancing sustainable community transport policy.

Section 3 - Sector Pricing and Policy Co-design Consultation Approach

The NCTPM Pricing and Policy Co-design Consultation framework involved a structured, iterative process that incorporated consultation and feedback at multiple stages to ensure comprehensive and effective policy recommendations. The cycle is depicted in **Figure 1: NCTPM – Policy Design and Analysis**, and includes the following key steps:

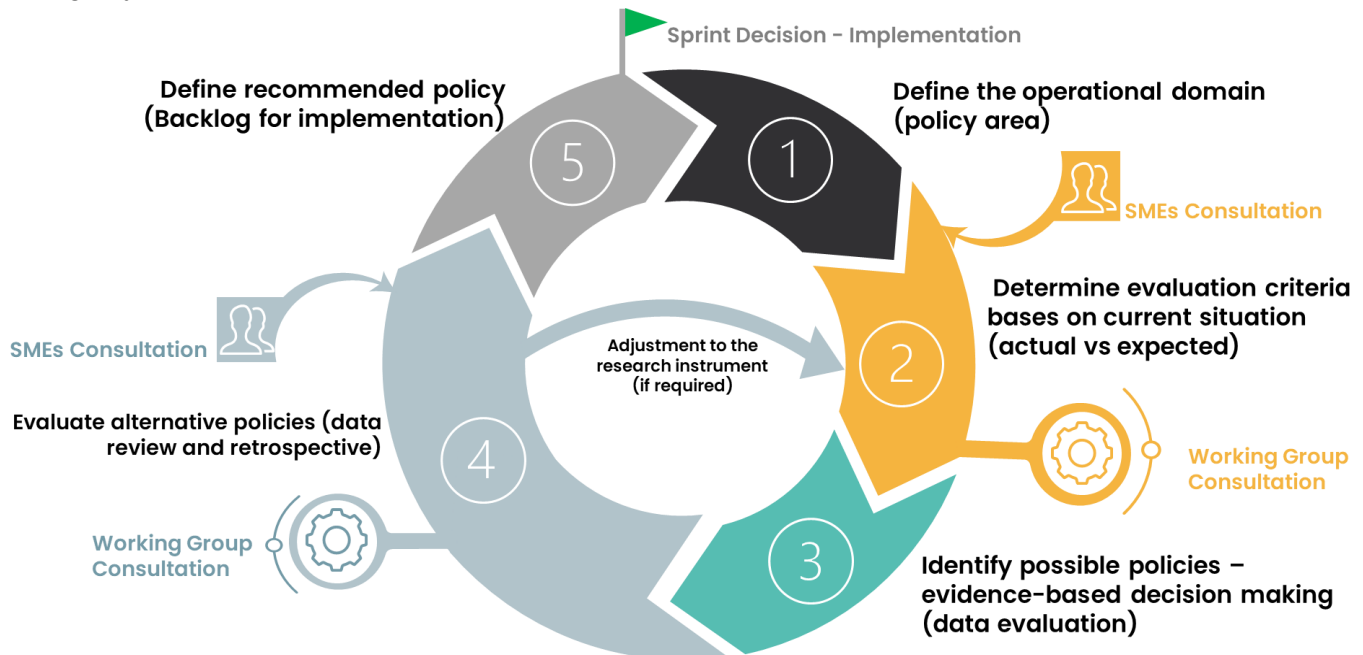


Figure 1: NCTPM - Policy Design and Analysis

1. **Defined the Research Domain (Policy Parameters and Areas):** In this initial step, the focus was on clearly identifying the specific areas and parameters of the policy that were to be studied. For the **NCTPM**, this involved defining which aspects of community transport required pricing or policy evaluation, such as cost structures, service delivery contexts (urban vs rural), passenger needs, client and community attitudes, perceptions, and preferences towards community transport services.
2. **Determined Evaluation Criteria Based on the Current Situation (Actual vs Expected):** In this step, the criteria for evaluating the policy were established by comparing the current situation (actual) with the desired outcomes (expected). For the **NCTPM**, this included setting criteria such as cost-effectiveness, equity in service delivery, cost sensitivity analysis, and cost recovery rate through efficiency gains in margin. These criteria were used to assess how well different pricing models or policy settings might meet the goals of the pilot.

3. **Identified Possible Policies – Evidence-Based Making (Data Evaluation):** During this phase, various potential policies were identified based on existing data and evidence. This included evaluating current data on community transport operations and finances to propose different pricing models, policy recommendations, and service settings to support a robust funding model under CHSP. The aim was to use evidence to suggest feasible policy options to improve service delivery and ensure the sustainability of community transport organisations across Australia.
4. **Evaluated Alternative Policies (Data Review and Retrospective):** Once the potential policies were identified, they were evaluated against the established criteria. This involved a comprehensive review and retrospective analysis of the data to assess the impact and feasibility of each policy option. For the **NCTPM**, this meant comparing different pricing models to determine which provided the best balance of cost-effectiveness, service quality, service delivery model, policy settings, quality customer service, and alignment with quality standards.
5. **Defined Recommended Policy (Backlog for Implementation):** Based on the evaluation, the most effective policy was recommended. This step involved drafting a detailed implementation plan for the selected policy, including any necessary changes to current practices. The outcome of these process can be consulted in the NCTPM Pricing and Policy Arrangements Guide Document.
6. **Sprint Decision and Repetition of the Cycle for the Next Research Domain (According to Evaluation Matrix and Schedule):** In the final step, a sprint decision was made to implement the recommended policy. The process was then repeated for the next research domain, following the evaluation matrix and schedule. This iterative approach ensured continuous improvement and adaptation of policies based on ongoing evaluations and emerging data. For the **NCTPM**, this meant that after implementing the initial pricing model, the team proceeded to evaluate and refine other aspects of the project, ensuring a comprehensive and adaptable policy framework and pricing model for community transport services.

Working Group Process

The working group played a pivotal role in both sections of the policy and pricing cycle development. The working group's activities were structured as follows:

1. **Regular Meetings:** Working group meetings were held every six weeks, aligned with the monthly data collection and reporting schedule coordinated with UniSA. This regular schedule ensured consistent progress and the timely integration of feedback. The main objective of these meetings was to gather and address feedback from the working group on the discussion papers prepared and presented by ACTA and UniSA, which are described in point two of this section, 'Meeting preparation'.

2. Meeting Preparation:

Prior to each working group meeting, participants were provided with several key documents to facilitate informed discussions:

- **Working Group Agenda:** Outlined the topics and objectives for the upcoming meeting.
- **Discussion Paper:** Presented data analytics from UniSA related to the research domain being tested that month, along with proposed policy settings based on the data.
- **Case Study (if applicable)**
- **Summary Report:** Compiled insights from previous working group meetings and discussions on data analytics.