ACTA

Australian Community Transport Association

# Pricing and Policy Arrangements Guide

## NATIONAL COMMUNITY TRANSPORT PRICING MODEL (NCTPM)

**Version 1.5 - October 2025**

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**Acknowledgement of Country**

The Australian Community Transport Association (ACTA) acknowledges and pays respect to the Traditional Owners and Custodians of the lands throughout Australia. We recognise the strength and resilience of Aboriginal and Torres Strait Islander peoples, and their continuing connections to land, sea and community. We pay our respects to Elders past, present and emerging.

# Executive Summary

Australia's ageing population, regional disparities, and growing diversity mean that safe, reliable, and person-centred community transport is no longer a nice-to-have, it is essential to ensuring older people, people with disabilities, and transport-disadvantaged Australians can remain connected, independent in their homes, and participating in the community.

Community Transport is more than a ride. It provides access to medical care, social activities, shopping, essential services, and, critically, delivers welfare checks, culturally safe support, and social connection; often filling gaps where public or patient transport is unavailable, particularly in rural and remote areas.

However, outdated, inconsistent, and financially unsustainable pricing models have left many providers especially in low-density population communities unable to meet demand or maintain quality. Without urgent reform, service gaps will grow, transport disadvantage will worsen, and vulnerable Australians will be left behind.

The National Community Transport Pricing Model (NCTPM) is Australia's first data-driven, nationally consistent approach in the Community Transport sector to fixing this. Developed by the Australian Community Transport Association (ACTA) with support from the University of South Australia and tested with 31 community transport providers across every state and territory, the NCTPM provides a fair, transparent, and sustainable pricing system that reflects the real cost of delivering quality, person-centred transport, from urban centres to the most remote communities. The NCTPM Pricing and Policy Arrangements Guide is a practical, sector-tested roadmap designed to support government, providers, and policymakers in implementing the new national pricing model for Community Transport. This guide ensures that the sector transitions to a model that delivers long-term, measurable benefits:

- Financial sustainability with pricing that accurately reflects the real-world cost of service delivery, including workforce requirements, infrastructure, participant needs, and the unique challenges of remoteness
- Transparency and fairness establishing consistent, reliable pricing for providers, funders, and participants nationwide
- Person-centred services ensuring diverse transport users receive culturally safe, dignified, and inclusive support
- Flexibility and responsiveness enabling policy settings that adapt to regional conditions, low-density population communities, workforce challenges, and evolving community needs

This Guide outlines critical pricing and policy arrangements to support successful implementation, including:

- Nationally consistent policy definitions
- Standard service types and models definitions
- Industry requirements to ensure quality service delivery
- Pricing and Policy Arrangements to develop workforce, infrastructure and technology
- Considerations for funding of low-density population and commissioning services in rural and remote areas
- Flexibility for providers to tailor services to diverse communities while maintaining national standards

This document is designed for Ministers, policymakers, providers, and sector leaders to drive real, measurable reform. It complements the broader NCTPM Final Report by providing the technical detail needed to transition to a fair, sustainable, and future-ready Community Transport system.

Community Transport keeps Australians connected. The NCTPM keeps Community Transport viable, equitable, and ready for the future.

The time for action is now.

# National Implementation Recommendations

**Recommendation 1:** It is recommended that the National Community Transport Pricing Model (NCTPM) be formally adopted as the standard pricing and policy framework across the entire community transport.

**Recommendation 2:** Integrate NCTPM findings into the final Support at Home Program Pricing Advice from IHACPA.

**Recommendation 3:** ACTA recommends that the government commission community transport services in low-density population communities also known as thin markets - where service delivery is not viable through standard funding models.

**Recommendation 4**: ACTA recommends that the support needs and functionality levels defined in the National Community Transport Pricing Model (NCTPM) be adopted within the Integrated Assessment Tool (IAT). Aligning these frameworks will ensure transport needs are accurately assessed and funded and reduce fragmentation between assessment and service delivery.

**Recommendation 5:** Provide one-off grants to help community transport providers adopt transport management software, covering both the technology and the training needed to support effective implementation, change management, and data accuracy.

**Recommendation 6:** Adopt national community transport data reporting standards, structured around the NCTPM pricing and policy arrangements guide, to ensure consistent and comparable information collection across all community transport providers that enhances analysis, service delivery quality and decision-making.

**Recommendation 7:** Support ACTA to collaborate with software vendors to enable seamless integration between key systems such as My Aged Care, DEX, NDIS, and other aged care and disability software and community transport provider platforms. This effort should align with and build upon the Department of Health, Disability, and Aging's ongoing initiatives to improve data reporting standards. Service providers need to be supported in implementing the required changes (both technical and cultural) so that data is reliable and accurate.

**Recommendation 8:** Fund a national study to measure the full social and economic benefits and value of community transport.

**Recommendation 9:** In collaboration with the Department of Health, Disability and Ageing establish an ACTA-led reference group to contribute to Aged Care and Disability policy and pricing reviews for community transport. This should include setting up a formal learning network so participating providers can share lessons from their experience implementing the NCTPM that will then be used to shape future policy for community transport services.

**Recommendation 10:** Fund ACTA to lead provider readiness efforts, including training, sector capability building, and change management support to fully implement the NCTPM nationally

**Recommendation 11:** Make sure community transport is part of all participants' funding and care plans in aged care and disability, recognising it as a key connector to most services.

**Recommendation 12:** Include ACTA in ongoing consultation with IHACPA to ensure community transport and the National Community Transport Pricing Model (NCTPM) are reflected in pricing reforms, frameworks, and pricing arrangements.

**Recommendation 13:** Create a national one-off fund to help replace ageing vehicles in community transport for current service providers. This fund would assist organisations that, due to historical underinvestment, legacy funding arrangements, or limited capital reserves, have been unable to adequately renew their vehicle fleets. Without targeted support, these organisations face increasing challenges in maintaining reliable and sustainable services, particularly in areas with high participant need or thin market conditions. A dedicated infrastructure fund would help address this critical gap, ensuring continuity and sustainability of the service.

**Recommendation 14:** Implement a regular, scheduled review of the National Community Transport Pricing Model (NCTPM) to ensure pricing and policy arrangements remain accurate and responsive to sector needs. This review should be supported by a standardised community transport data reporting as per recommendation 6 that enables robust benchmarking and analysis. Cost adjustments must continue using the hybrid indexation method outlined in this pricing and policy guide, ensuring pricing reflects real economic conditions and supports provider sustainability.

**Recommendation 15:** Ensure that service commissioning frameworks explicitly incorporate low-density populations Additionally, establish clear commissioning market criteria to guide procurement processes and determine eligibility for funding applications, thereby promoting equitable and sustainable service delivery across all communities.

**Recommendation 16:** Launch a national campaign to promote the social value of community transport and its workforce.

**Recommendation 17:** Co-design clear consumer information on pricing for community transport under the NCTPM and services with advocacy groups, in multiple formats and languages. Included must be national NCTPM Communications Toolkit with fact sheets, visuals, and sector-level briefing materials.

**Recommendation 18:** Set up regular feedback loops with consumer groups to ensure communications remain effective and inclusive as well as the sector remains receptive to consumer experience and expectations.

**Recommendation 19:** Work with peak bodies to embed NCTPM messages in broader reform submissions and advocacy efforts.

**Recommendation 20:** Set up regular forums where software vendors, providers, and policy experts co-design digital tools that are easy to use.

**Recommendation 21:** Include community transport upgrades within energy and transport sustainability programs and empower ACTA to coordinate efforts that build provider capacity in green transport infrastructure and fleet management.

# Table of Contents

# Part A: About this document

This section covers:

- **Context to the pricing and policy guidelines**
- **Purpose of the pricing and policy guidelines**
- **Audience of this document**
- **Scope**
- **Version Control**

# 1.Introduction

## 1.1 About the Australian Community Transport Association

The Australian Community Transport Association (ACTA) is the national peak body for the community transport sector. We work together as a peak body for the benefit of community transport services across Australia. Founded in February 2011 and comprising representatives from QLD, NSW, TAS, SA, VIC, ACT, NT & WA, ACTA operates with a view to providing a national voice for the community transport sector and looks toward future innovation. The company is a not-for-profit organisation. Across Australia, it is estimated that community transport providers support 238,000 clients annually to complete over 95 million kilometres of travel in 5 million trips in standard sedans, mini-buses, and modified vehicles. This is performed approximately by over 2,200 paid staff and 8,000 volunteers.

As the peak body of the community transport sector across Australia, the Australian Community Transport Association (ACTA) has been instrumental in the development and implementation of the National Community Transport Pricing Model (NCTPM) in collaboration with the research partner, the University of South Australia (UniSA), The Department of Health, Disability and Aging in an early engagement during the first phase of the model development, along with the Independence Health and Aged Care Pricing Authority (IHACPA).

## 1.2 Why is Community Transport important?

Community transport (CT) plays a vital and multifaceted role in supporting individuals to remain connected, independent, and longer within their communities. More than just a ride, CT is a person-centred service that enhances well-being, safety, and social inclusion, particularly for older people, people with disabilities, and others facing transport disadvantage.

As illustrated in the image below (**Figure 1:** CT Service Spectrum), CT services are tailored to varying levels of need, some examples are:

- Curb-to-curb and door-to-door services support those who can mobilise independently but benefit from close access.
- Chair-to-chair and with-handover services offer more intensive support, often including physical assistance and coordination with other care providers.

- Community shopping and first/last mile transport enable participation in everyday activities and access to broader transport networks, including public transit, taxis, or hospital services.

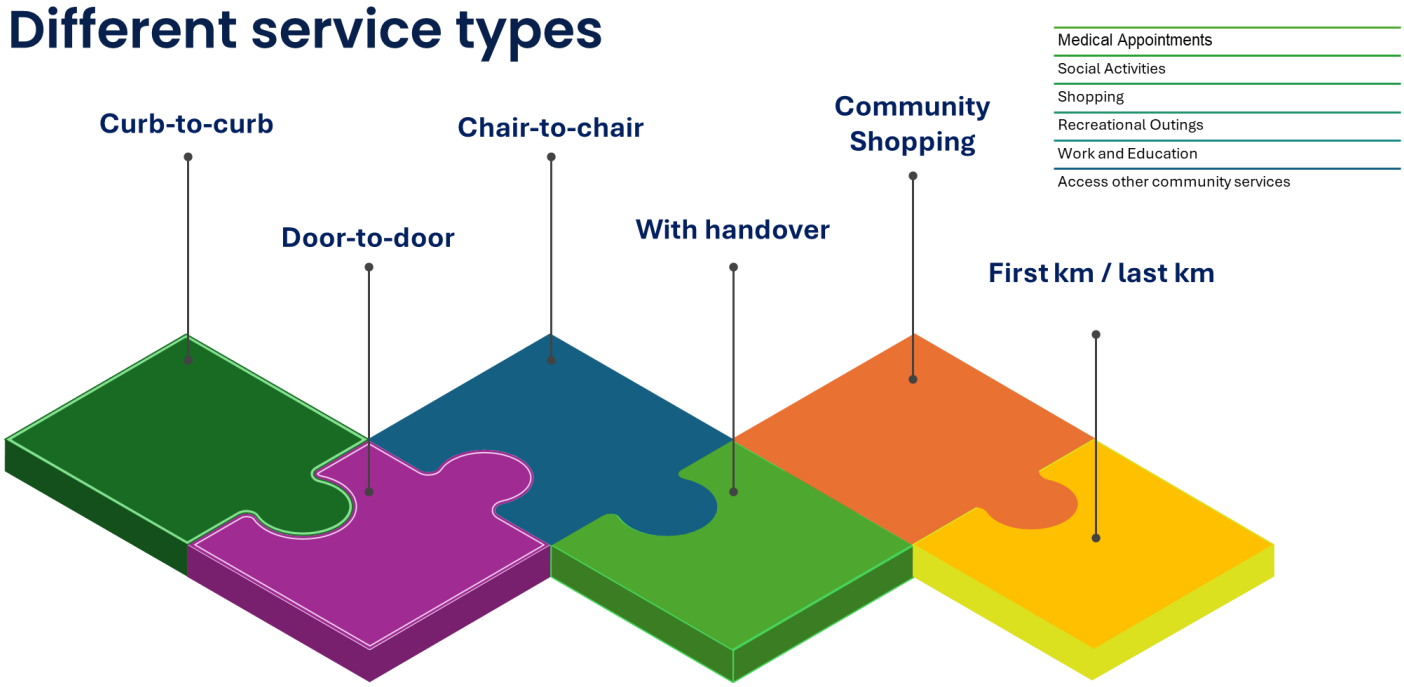


**Figure 1:** CT Service Spectrum

These service types are not just transport modes; they represent a continuum of care and flexibility that ensures no one is left behind. Therefore, community transport (CT) providers regularly deliver add-on services that make a significant difference in people's lives. These include:

- **Wellness and Reablement**
    I. Supports participants to maintain independence and functional ability by enabling access to essential and aged care services and community participation.
- **Early Intervention and Monitoring**
    I. Provides regular contact to observe and report changes in a participant's condition to carers, family, or care coordinators.
- **Holistic, Team-Based Support**
    I. Integrates drivers, intake staff, and care managers to ensure coordinated, person-centred service delivery.

- **Responsive to Diverse Needs**
    I. Delivers inclusive, culturally safe transport that respects culturally diverse backgrounds, disability, aged, gender and community-specific needs.
- **Dignity and Respect**
    I. Upholds participants' rights through equitable, non-discriminatory and dignified service that honours individual identity, background, personal preferences and diverse needs.
- **Participant Choice and Control**
    I. Participants to make informed decisions about their transport in line with their personal goals and care plans.
- **Social Connection and Inclusion**
    I. Reduces isolation by supporting participation in social, medical, and community/social activities.
- **Ageing in Place**
    I. Helps older people remain safely in their homes and communities by providing reliable, accessible transport options.

Another key strength of CT is its role in reablement, helping older people and others retain their independence and activity levels. CT ensures that people can access:

- Medical appointments
- Social and recreational activities
- Education and training
- Community events
- Grocery shopping and essential errands

In areas where public transport is limited or absent, and where patient transport services may not meet demand, CT fills critical service gaps. For example, in rural or outer-suburban areas, CT may be the only available option for hospital discharges, non-emergency medical travel, or community access. Without CT, many people would be at risk of missed care, isolation, or poor health outcomes. This holistic approach distinguishes CT from commercial and mass transport options. It embodies a culture of care where safety, dignity, and customer connection are always at the centre of service.

## 1.3 Context of the National Community Transport Pricing Model (NCTPM)

The model initially began as the National Variable Pricing Matrix (NVPM). However, as research progressed, it evolved from a matrix-based approach into a formula-driven model. To better reflect this shift in structure and methodology, the model was renamed the National Community Transport Pricing Model (NCTPM). During development, the Department of Health, Disability and Aging referred to the project under its working title, the Community Transport Pricing Pilot (CTPP).

The National Community Transport Pricing Model (NCTPM) Pilot Project aimed at addressing the financial sustainability, while ensuring a quality and safe service for senior Australians, among other challenges faced by Community Transport (CT) providers. The project focused on developing a more equitable pricing model to support the delivery of transport services to senior Australians and could potentially serve as input to inform pricing decisions for community transport services that support people with disability and Australians with diverse needs across the country.

Historically, CT providers were paid a fixed unit price, which varied across states and organisations but remained constant regardless of the distance or complexity of the service. This pricing model incentivised providers to favour shorter, more profitable services, leading to a disparity in service coverage and financial strain on many organisations. As a result, several providers exited the sector, further exacerbating gaps in service availability particularly for those in rural, remote, and regional Australia, where low population densities make it difficult to cover service delivery costs among other challenges reported by these organisations in the community transport sector.

The NCTPM has been designed and developed by ACTA and UniSA to address these issues by creating a more equitable, cost-reflective pricing model that aligns future government subsidies with the actual service delivery costs. The National Variable Pricing Matrix tested and refined the pricing model across 31 participating CT organisations through detailed financial and trip-level data collection, accompanied by an interactive co-design consultation process involving the same 31 CT providers, in working group meetings. The iterative consultation on the pricing and policy arrangements of the NCTPM began in February 2024 and concluded in April 2025. This approach guaranteed that the new pricing structure met the sector's financial and operational needs, supported by data-driven analysis, evidence and the testing of alternative policy arrangements. It also facilitated continuous feedback on emerging findings, enabling the project team to incorporate insights and adjust the model as the study progressed.

The findings from the pilot now serve as the basis for implementing the new pricing and policy framework across the sector, ensuring a sustainable future for Community Transport services in Australia.

## 1.4 Purpose

ACTA and UniSA have prepared the NCTPM – Pricing and Policy Arrangements, which is a complementary document to the UniSA – NCTPM final report and case studies, with the primary objective of helping community transport providers, industry and sector partners, aged care peak bodies, consumers, policymakers, ministerial offices, and government departments better understand the pricing and policy arrangements required to transition to a new operating model that guarantees the long-term sustainability of the community transport sector.

## 1.5 Audience

The NCTPM – Pricing and Policy Arrangements Document is primarily intended for providers delivering community transport services under the Commonwealth Home Support Programme (CHSP), Home Care Packages (HCP), and the newly launched Support at Home Program (SAH). These guidelines will also serve as a reference to shaping the policy and pricing arrangements necessary for the long-term viability of the community transport sector. As such, the guidelines are also directed towards industry and sector partners, aged care peak-bodies, consumers, policymakers, ministerial offices, and the Department of Health, Disability and Aging, among other relevant government departments.

## 1.6 Scope of this document

To address the need to make community transport financially sustainable, while ensuring a quality and safe service for senior Australians, the Australian Community Transport Association (ACTA) and the University of South Australia selected 31 CHSP transport providers based on their unique business mix and state representation to undertake the National Community Transport Pricing Model (NCTPM) to devise a new way to determine the cost of community transport (CT), along with new policy settings, while also looking to identify innovation that would support a sustainable business model for CT operators.

## 1.7 How to use this document

The table below provides a structural overview of the NCTPM Pricing and Policy Arrangements, which is organised into 3 parts (parts A to C).

| Part | Description |
|---|---|
| **Part A:** Introduction | • About ACTA<br>• Project context<br>• Purpose<br>• Audience<br>• Scope |
| **Part B:** Community Transport Definitions | • Context<br>• Terms and Definitions |
| **Part C:** NCTPM - Pricing and Policy Arrangements | • Overarching Pricing and Policy Guidelines<br>• NCTPM Pricing and Policy Arrangements |
| **Part D:** NCTPM - Pricing and Policy Arrangements | • Sector Readiness Assessment<br>• Recommendations for Implementation |

**Table 1:** NCTPM Pricing and Policy Arrangements – Content Overview

## 1.8 Version Control

The table below outlines the change and version control of this document.

| Date | Summary of changes |
|---|---|
| March 2025 | Version 1 (Draft) |
| April 2025 | Version 1.1 (Draft) |
| May 2025 | Version 1.2 (Draft) |
| June 2025 | Version 1.3 (Draft) |
| July 2025 | Version 1.4 (Final) |
| August 2025 | Version 1.5 (Final) |
| October 2025 | Version 1.6 (Final) |

**Table 2:** NCTPM Pricing and Policy Arrangements Document Control

# Part B: Terms and Definitions

This section covers:

- **Context**
- **Community Transport Definitions**

# 2.Community Transport Terms and Definitions

## 2.1 Context

The NCTPM Pilot Project operated under the assumption that both operational and business definitions were uniformly understood by the 31 participating organisations involved in financial and trip-level data collection. However, ACTA acknowledges the diversity of business models across the country and the complexity of service delivery among community transport providers, who adapt their services to meet a broad range of community needs. As such, policy settings alone cannot dictate every aspect of service delivery. It is essential that organisations have the flexibility to determine their own business practices in order to maintain quality, customer service, and operational efficiency. With this in mind, providers will need to make informed business decisions on various operational elements that best reflect their community's needs, geographical context, and organisational scale.

Because community transport services are designed to meet diverse and often complex needs, a shared understanding across the sector is essential to support greater standardisation. To address this, ACTA and the University of South Australia (UniSA) have collaborated to develop a Definitions Table, presented in the following section of this document. This table provides standardised definitions for key components of community transport service operations and business activities.

## 2.2 Definitions

| Term | Definitions |
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| Community Transport | Community Transport (CT) refers to flexible, person-centred transport services designed to support individuals with complex or diverse needs particularly those who are unable to access traditional transport options. These services are tailored to serve older adults, people with disabilities, and transport-disadvantaged individuals, including those living in regional or remote areas. Community Transport commonly provides door-to-door, chair-to-chair, curb-to-curb, language and translation support assistance, welfare checks, wheelchair-accessible transport, and low to high diverse support needs, ensuring safe, accessible, and dignified travel. Depending on the geographical context and |

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| | participant needs, services may include community car trips, shared buses, or a combination of both. |
| Trip | A trip is a one-way journey from a defined starting point to a scheduled destination, where the participant is actively receiving a service from a community transport provider. A trip may be direct or indirect, provided all segments relate to the participant's assessed care, independence, or social connection needs.<br><br>Where a journey includes multiple stops that are planned and related to the participant's goals or daily living needs, such as attending medical appointments, banking, pharmacy visits, or other essential services each segment between destinations may be counted as a separate trip.<br><br>Incidental stops, such as brief toilet breaks, rest stops due to fatigue or waiting periods that are not linked to a scheduled destination, are not counted as separate trips, unless they are explicitly defined within the organisation's policies and procedures as part of a lawful fatigue management plan for drivers and participants, particularly when driving long distances.<br><br>Trips may include additional supports, such as reablement assistance, welfare checks, culturally inclusive service, wheelchair access, and specialised staff training to ensure safe, inclusive, and equitable transport for people with diverse and/or high support needs. |
| National Community Transport Pricing Model - NCTPM | The NCTPM is a pilot project led by ACTA and UniSA that developed a fair, cost-reflective pricing model to improve financial sustainability for Community Transport services across Australia, while ensuring a quality and safe service for senior Australians, people with disabilities and transport-disadvantaged individuals. |
| National Variable Pricing Formula - NVPF | The National Variable Pricing Formula (NVPF) is a cost-based formula for calculating transport trip subsidies, incorporating both fixed and variable cost components. The Fixed Trip Cost Component (FTC) accounts for support needs and remoteness of the |

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| | service operation defined by the Modified Monash Model (MMM) classification. The Variable Trip Cost Component (VTC) accounts for kilometres travelled and the highest remoteness classification recorded of the trip and the additional time needed to support participants with low or high support need requirements. |
| Distance Travelled | Distance travelled is recorded in kms between the trip start and end points as per the definition of 'trip'. This is also the measure used to calculate the price under the NVPF (National Variable Pricing Formula). |
| Trip fare (TF) | The Trip fare (TF) is the value that represents the Fixed Trip Cost Component (FTC), and Variable Trip Cost Component (VTC) into a standard fare, which will also serve as the 'quoted price' for customers, covering infrastructure, workforce, and service delivery overheads for community transport providers, level of support provided to the participant, distance and time travelled. It accounts for Support Needs and Modified Monash Model (MMM) Remoteness Classification as a fixed component (left side of the pricing matrix) and kilometres travelled and remoteness as variable components (right side of the pricing matrix) **see Part C – The National Variable Pricing Formula (NVPF)** |
| Fixed Trip Cost Component (FTC) | The FTC represents the portion of the Trip Fare (TFC) that accounts for support needs and remoteness. This fixed component ensures that essential infrastructure, workforce, and service delivery overheads related to the provision of community transport services are covered. It remains constant regardless of distance travelled. This includes loading and unloading time when applicable, ensuring that all necessary support services, such as wheelchair assistance or additional passenger needs, are accounted for within the journey duration. Other travel time effects are indirectly reflected on the formula, for more information on this **see Part C – The National Variable Pricing Formula (NVPF)** |

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| Variable Trip Cost Component (VTC) | VTC represents the portion of the Trip Fare (TF) that accounts for kilometres travelled and remoteness classification. This component varies according to trip distance and the highest remoteness classification recorded of the trip under the Modified Monash Model (MMM). Travel time effects are indirectly reflected through these factors, for more information on this, **see Part C – The National Variable Pricing Formula (NVPF)** |
| Social Engagement | Social engagement in the context of community transport refers to the supportive and interpersonal interactions between drivers and participants that occur before, during, and after trips. Costed within the loading and unloading time of the National Variable Pricing Formula (NVPF), it includes helping participants to and from vehicles, carrying goods, storing mobility aids, checking on participant wellbeing, welfare checks, and offering emotional support during the trip. It also promotes social cohesion by fostering familiarity such as regular drivers serving the same participants. This model does not currently include an analysis of the human capital investment and associated benefits provided by Community Transport providers. These aspects are recognised as significant and are intended to be explored in future work to appropriately quantify and qualify their impact. |
| Community Transport add-on services | Add-on services in Community Transport are person-centred supports that go beyond basic travel, enhancing participant safety, wellbeing, and independence. These supports may include curb-to-curb, door-to-door, and chair-to-chair assistance, as well as first and last km coordination to ensure participants can fully access essential services.<br><br>They often involve welfare and mental health checks, language and cultural support, and social engagement activities that help reduce isolation and foster community connection. Add-on services also play a critical role in identifying additional needs and facilitating timely referrals to aged care, health, or social services, positioning Community Transport as a nexus between transport, care, and support systems.<br><br>The National Community Transport Pricing Model (NCTPM) recognises the importance of these |

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| | supports and includes them within the National Variable Pricing Formula (NVPF) to ensure their value is reflected in pricing and funding. This enables more accurate, consistent, and sustainable service delivery across the sector.<br><br>While the current model accounts for the operational cost of delivering add-on services, it does not yet quantify the broader human capital investment such as the preventative and enabling roles of drivers and other community transport staff. These contributions are significant and will be explored in future work to properly qualify and quantify their social and economic impact. |
| Shared or group trip | Shared or group trips refer to journeys where multiple passengers travel together in the same vehicle, either for the same purpose such as social outings, community events, or recreational activities for individual appointments that have been efficiently scheduled together in a planned route.<br><br>These trips may involve participants being picked up from different locations and travelling to the same or different destinations, depending on assessed need and service coordination. Community transport providers optimise routes to ensure efficient service delivery while maintaining individual support requirements.<br><br>For pricing purposes under the National Community Transport Pricing Model (NCTPM), each passenger on a shared or group trip is charged individually. This reflects the individualised nature of service provision, even when delivered in a shared format, and ensures equity, transparency, and sustainability in funding. |
| Empty Run | An empty run refers to the portion of a vehicle's journey when it is operating without passengers, including travel from the depot to the first pick-up location, the return trip to the depot after the final drop-off, and any distance between drop-off and the next scheduled pick-up. Empty runs are an inherent part of any trip, as vehicles must reposition themselves to efficiently serve one or multiple passengers. |

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| On-demand service | On-demand service refers to the dynamic addition of a passenger to an already scheduled route, accommodating different pick-up and drop-off locations. This typically occurs when a passenger requires immediate transport assistance without having booked the service at least 24 hours in advance. On-demand services enable flexible and efficient trip coordination, allowing transport providers to integrate last-minute requests into existing schedules whenever possible. |
| Cancellation | Refers to the cancellation of a scheduled transport service by the participant within 24 hours of the agreed pick-up time. To be recognised as a valid cancellation (and not recorded as a no-show), the cancellation must be communicated during the organisation (primary provider) business hours. |
| No-show | A no-show occurs when a scheduled transport service is booked for a specified time and location, but the participant fails to utilise the service. This includes instances where the participant misses the service without prior notice or cancels outside the required 24-hour notice period. If the vehicle has arrived at the participant's location and the participant is not present, the service provider may claim the trip as delivered, in accordance individual community transport provider's cancellation policies. |
| Remoteness of a trip | Remoteness of a Trip under the NVPF is defined as the highest remoteness classification between the trip's origin and destination postcodes, based on the Modified Monash Model (MMM) classification. Under the NVPF If the trip falls within MMM1 to MMM4 (Major Cities to Medium Rural), it is considered Metropolitan and/or Regional. If the trip falls within MMM5 to MMM7 (Small Rural to Very Remote), it is classified as Rural and/or Remote. |
| Support Needs (Traditionally defined as 'Service Complexity') | Under the NVPF, Support needs are classified into two categories: Low Support Needs and High Support Needs. To account for these differences, the NVPM pricing model applies a Fixed Trip Cost Component (FTC) for both Low Support Needs and High Support Needs categories, while also factoring in the Remoteness Level (Metropolitan and Regional & Remote), ensuring transport providers are compensated based on the level of service complexity required and the location where the |

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| | service is being provided. The assessing process to decide whether a participant needs low or high support needs is determined by the varying levels of assistance and resources required to accommodate individual participant health, mental and social support requirements. |
| Low Support Needs | Low Support Needs refers to when a participant requires minimal assistance, such as those who are mobile with a walking stick or need only basic guidance during the trip. While documentation methods are at the organisation's discretion, evidence must be retained for audit purposes to justify the functional level of care provided. |
| High Support Needs | Participants are classified as having high support needs when they require significant additional functional assistance during transport such as physical support, use of mobility aids, psychological care, culturally appropriate services (e.g. language interpretation, dementia-specific support, or Aboriginal and First Nations appropriate care delivery). While documentation methods are at the organisation's discretion, evidence must be retained for audit purposes to justify the functional level of care provided. |
| Carers and Companions | **Carer**<br><br>An individual who provides personal care or support to a participant (e.g., a nurse, family member or friend). Under the NCTPM, a carer may accompany the participant on a trip **at no additional fare** (travels free) when their presence is required to ensure the participant's safety, wellbeing, or participation in scheduled activities.<br><br>**Companion**<br><br>An individual who accompanies a participant for social, emotional, or practical support but does not meet the definition of a carer (e.g., a volunteer, paid attendant, or friend without caregiving responsibilities). Under the NCTPM, a companion is **charged the full trip rate calculated by the NVPF** identical to the participant's fare, reflecting the cost of their seat and any associated add-on services that might be required by the companion. |

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| Diverse Needs Community | Diverse Needs Community under the National Community Transport Pricing Model (NCTPM) refers to individuals or groups who, due to their varied backgrounds,[1]identities, or support requirements, benefit from a person-centred community transport service approach. This includes, Aboriginal and Torres Strait Islander peoples, people living with dementia or disabilities, individuals from Culturally and Linguistically Diverse (CALD) backgrounds, among others. |
| Provision of Culturally Appropriate Care in Community Transport for Indigenous Australians | Provision of Culturally Appropriate Care in Community Transport for Indigenous Australians means delivering flexible, safe, and culturally respectful transport services that enable access to health care, community connections, family, and Country while recognising the unique cultural responsibilities, customs, and lived experiences of Aboriginal peoples. This includes respecting practices such as sorry business, kinship obligations, non-linear perceptions of time, and community events. True culturally appropriate transport also acknowledges the lived realities of remote communities, including barriers linked to geography, workforce, and intergenerational trauma, and requires service models that prioritise flexibility, cultural safety, and client-led partnerships over western-centric system approaches. |
| Thin Market | [2]According to the Final Report of the Aged Care Taskforce, 2024, a market may be thin because it is not possible for providers to deliver services viably, there may not be enough participants to attract providers to deliver services, or the necessary workforce may not be available. ACTA would prefer to refer to these communities as 'low-density population communities' as markets do not exist in these locations/communities. |
| Low-density population communities | In the context of community transport, low-density population communities are areas where service delivery is challenging due to a small or dispersed client base. This includes remote and very remote regions, as classified by the ABS, where geographic |

[1] Diversity Council Australia. (2017). What is diversity & inclusion? https://www.dca.org.au/resources/di-planning/what-is-diversity-inclusion-intersectionality

[2] Australian Government Department of Health. (2024). *Final report of the Aged Care Taskforce*. https://www.health.gov.au/sites/default/files/2024-03/final-report-of-the-aged-care-taskforce_0.pdf

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| | spread and low population density limit service viability. It also applies to urban areas where specific population groups, such as Aboriginal and Torres Strait Islander communities require culturally appropriate services, and where the eligible client base is small and complex despite being in a high-density location. In many of these communities, market structures for service delivery do not exist at all due to the inherent challenges of distance, low demand, complex care needs, and workforce shortages. As such, ACTA prefers this term to better reflect the demographic and geographic realities rather than implying the existence of a failing or inadequate market. |
| Commissioning in Community Transport | Commissioning in community transport is the process by which governments or funders strategically plan, fund, and contract one or more service providers to deliver essential community transport services in areas of transport disadvantage, particularly in rural, remote, low-density population and thin markets. It ensures continuity and availability of services for older people, people with disability, Aboriginal and First Nations communities, and others with limited transport options. Commissioned services are co-designed with providers and communities, culturally appropriate, person-centred, and focused on long-term sustainability and measurable outcomes. |
| Service Type | Service types refer to the ways in which transport services are provided, combining the delivery model (direct or indirect) with the associated Benefit Service Category (BSC) (full service or basic). This can include services directly provided by the community transport organisation, brokered services, or services facilitated through taxi vouchers. Under the National Community Transport Pricing Model (NCTPM), the service delivery model can be classified as either direct or indirect. |
| Primary Community Transport Provider | It refers to the organisation responsible for delivering community transport services, generally holding a service contract with the federal, local government or combination of both. This provider typically operates the vehicles, infrastructure, and workforce necessary to directly provide transport to participants, and they |

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| | are responsible for managing the overall service delivery and coordination. |
| Secondary Community Transport Provider | It refers to an organisation providing the service on behalf of the primary provider, often when the primary provider cannot fulfill specific participant needs or has capacity constraints. This type of arrangement was traditionally referred to as brokered services. |
| Direct Service Delivery Model | This occurs when the Primary Community Transport Provider delivers the service directly to participants using its own staff, vehicles, and infrastructure. This model can take one of two forms: **Full-Service Direct Delivery**, where the provider offers a comprehensive range of supports, including those outlined in the definition of Community Transport add-on services and **Basic Direct Delivery**, where only the core transport component is provided without additional supports. Both approaches involve direct management and service delivery by the provider. |
| Indirect Service Delivery Model | This refers to a Secondary Community Transport Provider delivering the service. The model can take two forms: **Full-Service Indirect Delivery**, where the secondary provider delivers both the transport and the associated Community Transport add-on services; and **Basic Indirect Delivery**, where the transport component is delivered by a non-community transport provider without the additional supports. In both cases, the service is managed by the Primary Provider but delivered through an external party. |
| Benefit Service Category (BSC) | It refers to a classification of service benefit delivery in which a community transport provider offers transport services with varying levels of benefits or service components to cater for low and/or high support needs participants. This type of service delivery can be categorised into two forms: Benefit Service Delivery Category **(BSC): Full-Service,** and Benefit Service Delivery Category **(BSC): Basic.** |

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| BSC: Full-Service | In this category, the transport provider offers a comprehensive range of services such as those mentioned in the definition of **Community Transport add-on services**.<br><br>This service type guarantees compliance with the **Code of Conduct for Aged Care[3] and [4]Aged Care Quality Standards.** |
| BSC: Basic | This service category offers a more minimal level of service, where the provider may only supply the essential transport service, such as a ride from one location to another, with limited or no additional support or assistance provided. No human capital development or social benefits are generated<br><br>This service type, when provided in combination with **Indirect Service Delivery**, is highly unlikely to guarantee compliance with the **Code of Conduct for Aged Care and Aged Care Quality Standards.** |
| Full-Service Direct Delivery | This service type occurs when a community transport provider delivers a comprehensive range of services using its own resources (e.g., vehicles, infrastructure, and workforce). It includes door-to-door assistance, support for cultural and language needs, and additional care for participants with **low and/or high** physical or psychological **support** needs. This model ensures that all aspects of the passenger's transport needs are fully managed and directly delivered by the provider. |
| Basic Service Direct Delivery | In this model, the community transport provider delivers basic transport services using its own resources. The service typically consists of a basic ride from one location to another, with limited or no additional support or assistance provided. This service is best suited for participants who require less support and only need transportation from point A to point B. |
| Full-Service Indirect Delivery | This service type occurs when a community transport provider outsources the delivery of a comprehensive range of services and support to meet passenger needs to third parties or brokers. It still includes the full scope of transport benefits, such |

[3] Australian Government. (2018). *Code of Conduct for Aged Care*. https://www.legislation.gov.au/F2018L01837/latest/text
[4] Australian Government. (2022). Aged care quality and safety commission: Quality standards. https://www.legislation.gov.au/F2022L01457/latest/text

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| | as door-to-door assistance, care support, welfare checks and other additional services. The primary providers manage the overall service but relies on external partners to deliver the transport service. |
| Basic Service Indirect Delivery | In this model, the community transport provider offers basic transport services through external partners or brokers. The transport only covers the essential ride from one location to another, with limited or no additional support. This model is typically used for participants who require basic transport, with service delivery managed by a third party such as taxis and rideshares rather than the community transport provider itself. |
| Welfare Check | Welfare checks in community transport are a set of proactive, non-clinical measures undertaken by community transport (CT) staff to support participant safety, wellbeing, and dignity, particularly for participants who are frail, live alone, have a disability, or are otherwise vulnerable. Welfare checks in community transport involve:<br><br>**Observation and Engagement**<br><br>• Noting changes in a participant's physical presentation, mood, or behaviour during pick-up, during the trip, or drop-off.<br>• Engaging with the participant (e.g., greeting, brief conversation) to assess whether they appear well enough to travel or identify any household conditions that may be affecting the participant's physical or psychological wellbeing, such as signs of domestic violence or abuse and escalate concerns in accordance with service provider's organisational policies.<br><br>These observations are not a clinical assessment and are not mandatory; they are undertaken at the staff's discretion and within the scope of their training and service provider's organisational policies.<br><br>**Follow-Up and Referral**<br><br>• If CT staff identify or suspect a change in the participant's condition (e.g., confusion, unsteady gait, distress), they may: |

I. Report findings to a designated supervisor, care coordinator, or intake officer.
II. Refer the participant to appropriate services such as a healthcare professional, care manager, or family/carer if additional assistance is needed.

CT providers must document any welfare concerns and follow their organisation's procedures for reporting and referral.

**No-Response Situation**

- When a participant fails to answer the door for a scheduled pick-up, the driver may attempt reasonable follow-up actions (e.g., phone call, checking windows).
- If there is any concern for the participant's safety, such as suspected fall or medical emergency; the driver raises an alert according to the provider's policy (e.g., contacting dispatch or emergency services).

This process is governed by organisational policy to ensure legal compliance and participant privacy.

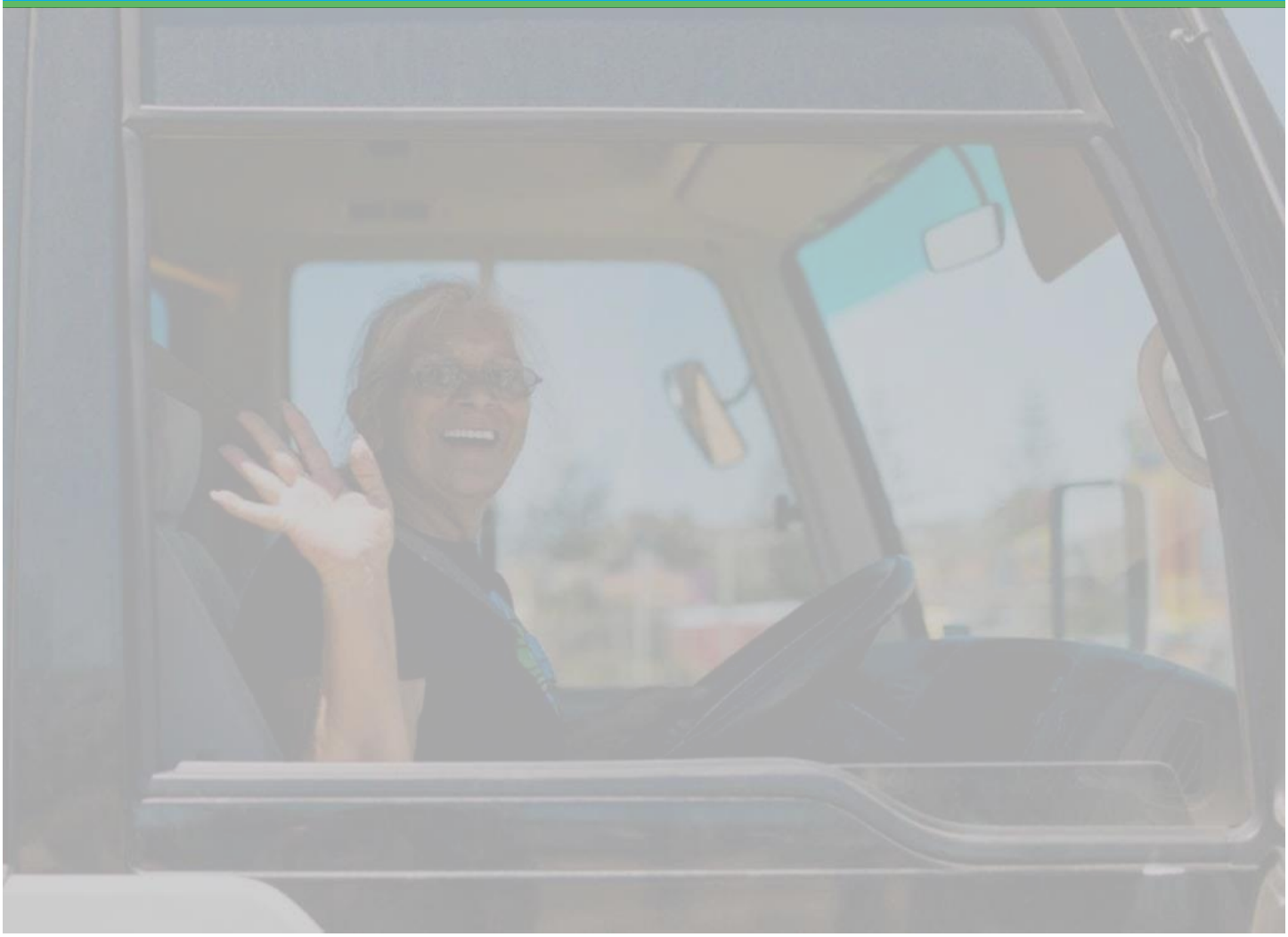
**Early Intervention**

Welfare checks act as an early intervention mechanism, enabling CT staff to notice incremental changes in a participant's capacity or living situation over time.

By identifying emerging needs, CT providers help ensure timely referrals to aged care, health, or social support services before risks escalate.

Welfare checks are a key component of **Full-Service Direct and Indirect Delivery** under the NCTPM and reflect a person-centred approach while respecting boundaries of CT staff roles. They are discretionary undertaken in good faith and according to each organisation's training, policies, and legal obligations rather than a mandatory clinical requirement.

**Table 3:** Community Transport Terms and Definitions



# Part C: NCTPM - Pricing and Policy Arrangements

This section covers:

- **Overarching Pricing and Policy Guidelines**
- **NVPF Pricing and Policy Arrangements**

# 3. Overarching Pricing and Policy Guidelines

## 3.1 Overarching Guidelines

This section outlines the pricing strategy and policy objectives of the National Community Transport Pricing Model (NCTPM). These guidelines have informed the research and analysis of the pricing model and will continue to shape policy recommendations in both the UniSA Final Report and this Pricing and Policy Arrangements Document.

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| • **Efficiency and Simplicity**<br>The NCTPM supports a streamlined pricing structure that simplify community transport operations and reduce administrative burden, helping providers optimise fleet and workforce utilisation, becoming more cost-effective and enabling high-quality service delivery. | • **Equity and Fairness**<br>The NCTPM ensures equitable access to community transport for all Australians, particularly seniors, people with disabilities, and transport-disadvantaged individuals. However, fee-for-service models, like Support at Home (fee-for-service model), create inequities, as individuals needing frequent or long-distance transport consume more of their package. This undermines the goal of preventing health decline and isolation. To address this, the NCTPM advocates for nationally consistent block funding of community transport services through federal and state programs. This approach is essential to promote equity, ensuring no one is left behind and becomes transport disadvantaged due to inflexible and inadequate funding models. |
| • **Financial and Operational Best Practices**<br>The model aligns with national financial and operational benchmarks to promote consistency, sustainability, and sector-wide harmonisation across community transport providers. | • **Person-Centred Approach**<br>NCTPM principles are grounded in person-centred service delivery ensuring that care is tailored to meet the diverse needs, preferences, and wellbeing of each individual before, during and after community transport service provisions. |
| • **Standardisation with Flexibility**<br>While encouraging national alignment and harmonisation, the model allows for flexible application to suit local contexts, community needs, reform changes and different business models in the community transport sector. | • **Change Management and Sector Support**<br>The NCTPM includes structured change management frameworks that assist providers in transitioning to the model, incorporating education, stakeholder engagement, and post-implementation support. |
| • **Innovation and Technology Enablement**<br>The NCTPM and the sector actively encourages the adoption of digital tools, transport technologies, and integrated systems to improve efficiency, coordination, and participant experience in community transport. | • **Transparent and Accountable Governance**<br>NCTPM implementation is guided by transparent decision-making processes, clear governance structures, and regular performance reporting to maintain stakeholder trust and accountability. |

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| • **Quality and Safety in Aged Care**<br>The NCTPM responds to the concerns raised by the Royal Commission into Aged Care Quality and Safety, particularly regarding abuse outside the community transport sector. By embedding strong quality and safety standards, the model ensures that older Australians receive reliable, safe, and dignified community transport services, upholding their rights and protecting them from harm. | • **Sustainability**<br>Designed with long-term viability in mind, the NCTPM supports resilient community transport operating models capable of adapting to Aged Care sector reforms, emerging care needs, and Australia's ageing population. |
| • **Social Connection, Inclusion and Proactive Health**<br>The NCTPM acknowledges the broader social value of community transport in reducing isolation and fostering community participation, especially for diverse and vulnerable populations. By offering a direct or indirect full-service option, the model also supports preventive health management, helping individuals maintain their wellbeing and independence while reducing the need for more costly health interventions. | • **Practical and Solution-focused Approach**<br>The NCTPM policy and pricing arrangements emphasise realistic, actionable solutions that address community transport sector challenges, facilitating sector sustainability, development, standardisation. |

**Table 4:** NCTPM Pricing and Policy Overarching Guidelines

# 4.The National Variable Pricing Formula (NVPF)

## 4.1 Pricing Model

| | Metro & Regional | Rural & Remote |
|---|---|---|
| Low needs | $32.1 | $59.3 |
| High needs | $58.5 | $85.7 |

+ [

| | Metro & Regional | Rural & Remote |
|---|---|---|
| Low needs | $1.29 | $1.20 |
| High needs | $1.75 | $1.65 |

x Distance (km) ]

**Figure 2:** Final – National Variable Pricing Formula (NVPF) as of May 2025.

**Operational Guidelines: Applying the NVPF**

**1. Determine Participant Support Needs Category**

**Low Needs**: Participant does **not** have functional needs any of the following areas:

1. **Requires high physical support** (E.g., Wheelchair accessible vehicle arrangements)
2. **Requires high psychological support** (E.g., Dementia support services, CALD community support services such as language translation and Aboriginal and Torres Strait Islander culturally appropriate care needs)

**High Needs**: Participant has functional needs in **one or more** of the above criteria

**2. Identify Trip Geography**

Use the **Modified Monash Model (MMM)** to assess remoteness level of both the **origin** and **destination** postcodes.

Classify the trip as:

**Metropolitan/Regional**: if both postcodes are in MMM 1–4

**Rural/Remote**: if **either** postcode is in MMM 5–7

**3. Select the Relevant Pricing Parameters**

Using the participant need and geography:

| | Metro/Regional | Rural & Remote |
|---|---|---|
| **Low Needs** | $32.10 | $59.30 |
| **High Needs** | $58.50 | $85.70 |

→ This is the **Fixed Cost** component (a base fare-like amount).

| | Metro/Regional | Rural & Remote |
|---|---|---|
| **Low Needs** | $1.29/km | $1.20/km |
| **High Needs** | $1.75/km | $1.65/km |

→ This is the **Variable Distance Cost** per kilometre.

**4. Calculate Total Trip Subsidy**

Use the formula:

**Total Subsidy = Fixed Cost + (Distance × Distance Rate)**

**Example 1**:
High-needs participant, metro area, 10 km trip
→ $58.50 + (10 × $1.75) = $58.50 + $17.50 = **$76.00**

**Example 2**:
Low-needs participant, rural or remote area, 5 km trip
→ $59.30 + (5 × $1.20) = $59.30 + $6.00 = **$65.30**

**6. Integration Into Block Funding (for Funders)**

Use aggregated trip estimates to determine **total annual block funding**:

a) Estimate total trips per participant type (support needs requirements) and geography.

b) Multiply by average NVPF subsidy per trip.
c) Include allowance for administrative costs and unanticipated service demands.

**Implementation Tips:**

a) Ensure consistent recording of participant support needs and trip locations in booking systems.
b) Automate the pricing logic in software platforms used by operators to reduce manual calculation errors.
c) Regularly update postcode-to-MMM classifications to reflect remoteness accurately.

**Brokered services and considerations for sub-contracted community transport providers:**

a) Sub-contracted providers must recognise that under the NCTPM, group trips (where multiple participants share the same vehicle) and individual trips (one participant per vehicle) are both reimbursed on a per-trip unit cost basis.
b) Sub-contracted providers engaging taxi or brokered transport services should note that, under the current NCTPM framework, taxi-brokered trips are not costed differently from other community transport trips.
c) Unit prices for brokered services and related contract arrangements are set by the primary service provider, with the NVPF and NCTPM guidelines serving as advisory references rather than mandatory rates. Secondary service providers may, at their discretion, accept or negotiate the unit price proposed by the primary provider, recognising that it may differ from the price calculated strictly under the NVPF.

# 5. NCTPM Pricing and Policy Arrangements

## 5.1 Distance and Geography

### 5.1.1 Pricing and Policy Arrangements: Unit Trip Cost Measure and Remoteness

Under the National Variable Pricing Formula (NVPF), unit trip costs must be calculated based on quoted trip distances. This approach offers a standardised, objective, and verifiable method for determining transport service costs.

Distance is the primary metric for determining unit trip costs under the NCTPM. The following arrangements should be established to ensure its correct and consistent application:

1. **Use of Distance as the Metric**
    a. All trip cost estimations should be based on quoted one-way distance in kilometres, obtained using GPS-enabled tools such as Google Maps, Waze, or Transport Management Systems (TMS).
    b. Quoted distances are to be recorded at the time of trip scheduling, using participant pickup and drop-off locations (preferably via postcode or full address input).
    c. Record both origin and destination postcodes per trip.
    d. Use quoted distance as the input for (Variable Trip Cost Component) VTC calculations, following the NVPF specifications when calculating the Trip Fare (TF).

2. **Accounting for Loading and Unloading Time**
    a. The NVPF assumes that each trip includes 13 minutes (on average) for participant assistance (e.g., chair-to-chair or door-to-door, loading and unloading activities).
    b. This time allowance is embedded within the Fixed Trip Cost Component (FTC), with pricing differentiated by support need category:
        i. Low Support Needs **(For more information on Support Needs and Remoteness Fixed Trip Cost Component please see section 5.1 Pricing Model)**
        ii. High Support Needs (including CALD and high support care needs participants) **(For more information on Support Needs and Remoteness Fixed Trip Cost Component please see section 5.1 Pricing Model.)**

## 3. Remoteness

a. Under the National Variable Pricing Formula (NVPF), trip remoteness classification is determined by the higher remoteness levels between the trip origin and destination postcodes captured on the provider's Transport Management Systems (TMS), which are mapped against the Modified Monash Model (MMM)

b. Remoteness classifications under the NVPF are aligned with the Modified Monash Model (MMM). For the purpose of this pricing model, these classifications have been regrouped into simplified categories, as outlined in the following table:

| Modified Monash Model (MMM) | National Community Transport Pricing Model (NCTPM) |
|---|---|
| **MM 1: Metropolitan areas**, major cities accounting for 70% of Australia's population.<br><br>All areas categorised ASGS-RA1. | **Metropolitan & Regional** |
| **MM 2: Regional centres**, areas categorised ASGS-RA 2 and ASGS-RA 3 that are in, or within 20km road distance, of a town with a population greater than 50,000. | |
| **MM 3: Large rural towns**, areas categorised ASGS-RA 2 and ASGS-RA 3 that are not in MM 2 and are in, or within 15km road distance, of a town with a population between 15,000 and 50,000. | |
| **MM 4: Medium rural towns**, areas categorised ASGS-RA 2 and ASGS-RA 3 that are not in MM 2 or MM 3 and are in, or within 10km road distance, of a town with a population between 5,000 and 15,000. | |
| **MM 5: Small rural towns,** all other areas in ASGS-RA 2 and 3. | |
| **MM 6: Remote communities,** all areas categorised ASGS-RA 4 and islands that are separated from the mainland in the ABS geography and are less than 5km offshore. | |

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| Islands that have an MM 5 classification with a population of less than 1,000 without bridges to the mainland (2019 Modified Monash Model classification only). | **Rural & Remote** |
| **MM 7: Very remote communities,** all other areas that are categorised ASGS-RA 5 and populated islands separated from the mainland in the ABS geography that are more than 5km offshore. | |

**Table 5:** NCTPM Remoteness Classifications under the Modified Monash Model (MMM)

c. Community Transport service providers must apply the correct remoteness classification as outlined in this pricing model. This classification determines the applicable Fixed Trip Cost (FTC) and Variable Trip Cost (VTC) components, based on the regrouped MMM remoteness classifications provided in the preceding section.

## 4. System Integration

a. Providers should operate a Transport Management System (TMS) that:
   i. Automatically records origin and destination postcodes
   ii. Captures GPS-based distance per trip
   iii. Supports data export for reporting

b. Use standardised tools such as Google Maps, Waze, or built-in GPS systems within the TMS to obtain quoted distances (in kilometres) for trip cost calculations. Ensure GPS tools are:
   i. Calibrated for real-world routing (avoiding manipulation of routes)
   ii. Linked with the Modified Monash Model and the National Community Transport Pricing Model remoteness classifications, postcode-level mapping under the NCTPM for consistent classification outputs.

c. Establish internal protocols to:
   i. Verify the accuracy of postcode entry and GPS logs
   ii. Periodically audit remoteness classification accuracy for each trip
   iii. Data integrity checks should include:
      a) Postcode validation
      b) Cross-referencing with MMM lookup datasets from the Department of Health, Disability and Aging, My Aged Care Portal (when applicable0 and Transport Management Systems (TMS) records.

d. All digital systems must comply with:
    i. Australian Privacy Principles (APPs)
    ii. Aged Care Quality Standards for information management
    iii. Cyber Security Act 2024
    iv. Implement role-based access, data encryption, and secure cloud or server storage to protect participant information.

### 5.1.2 Pricing and Policy Arrangements: Low-density population communities and Commissioning Services

The National Community Transport Pricing Model (NCTPM) recommends the following arrangements to support equity, sustainability, and accessibility in low-density population areas for community transport:

1. **Identification of low-density population communities**
    a. Apply the Modified Monash Model (MMM) to classify remoteness and identify areas with thin market or low-density population communities' characteristics.
    b. Use demographic, service availability, and transport accessibility data to assess community adequacy and identify service gaps.
    c. Incorporate additional variables such as population growth trends, local health and aged care needs, and cultural diversity indicators.
    d. ACTA recommends that organisations operating in areas classified as MMM 6 to 7 explore commissioning service arrangements through government-funded programs to address service gaps and local transport needs
    e. Consider other variables such as:
        i. Population growth trends
        ii. Health, aged care, and culturally appropriate service needs in the community
        iii. Cultural diversity
2. **Commissioning Services in low-density population communities**
    a. Federal and state governments should act as commissioning bodies where low-density population communities exist.
    b. Commissioning arrangements must include:
        i. Block Funding: Allocated to providers based on service area, projected need, and delivery capacity.

ii. Provide a grant to cover all annual fixed costs, independent of distance travelled or number of trips. A separate unit cost payment, set at a lower rate than the full NVPF, would then cover the variable costs associated with service delivery.

3. **Funding and Pricing Adjustments to the NVPF when commissioning low-density population communities**
    a. This includes the costs of delivering services in low-density population communities, such as:
        i. Labour shortages and higher wage expectations
        ii. Infrastructure and technology deficits
        iii. Vehicle procurement and maintenance in remote conditions
        iv. Providers operating in non-viable markets under standard competitive models.

4. **Recommended prioritisation of commissioning community transport services in low-density population communities**
    a. Commissioning should prioritise:
        i. Essential community needs (e.g., seniors, CALD, LGBTQIA+, Aboriginal and Torres Strait Islander communities)
        ii. Areas with no or inadequate transport services
        iii. Geographical locations where the service is required, but due to the low population density, full capital utilisation cannot be guaranteed.

## 5.2 Passenger Needs

### 5.2.1 Pricing and Policy Arrangements: Service types and Delivery Models

Although the NCTPM does not explicitly define service categories or delivery models, these elements were implicitly analysed as part of the sector's business models and the current operating mix of community transport organisations. As a result, the NCTPM provides a framework that enables the sector to classify service categories and delivery models. The combination of these criteria helps determine the type of service offered by each community transport provider:

1. Service categories **(the scope of the benefits offered by the community transport provider to the passenger)**
    a. **Full service** (For a full definition see **Section 2:** Community Transport Terms and Definitions)
    b. **Basic service** (For a full definition see **Section 2:** Community Transport Terms and Definitions)

2. **Delivery Model (The way in which the community transport provider delivers the service, for example: using own vehicles or subcontracting a third party to deliver the transport service, traditionally referred as brokerage)**
   a. **Direct** (For a full definition see **Section 2:** Community Transport Terms and Definitions)
   b. **Indirect** (For a full definition see **Section 2:** Community Transport Terms and Definitions)

| **(Y) Delivery Model** | **(X) Benefit Service Category (BSC)** | |
|---|---|---|
| | (X1) (BSC) - Full | (X2) (BSC) - Basic |
| **(Y1) Direct** | (Y1) & (X1) = Full-service Direct Delivery | (Y1) & (X2) = Basic Service Direct Delivery |
| **(Y2) Indirect** | (Y2) & (X1) = Full-service Indirect Delivery | (Y2) & (X2) = Basic Service Indirect Delivery |

**Table 6:** Community Transport Service Types

The interaction between the Y and X axes on the previous table defines the possible combination of service types in the current community transport landscape.

Service types refer to the ways in which transport services are provided, combining the delivery model (direct or indirect) with the associated Benefit Service Category (BSC) (full service or basic). The possible service type combinations and their definitions are:

- **Full-Service Direct Delivery (Y1 & X1):** This service type occurs when a community transport provider delivers a comprehensive range of services using its own resources (e.g., vehicles, infrastructure, and workforce). It includes door-to-door assistance, support for cultural and language needs, and additional care for participants with low and/or high physical or psychological support needs. This model ensures that all aspects of the passenger's transport needs are fully managed and directly delivered by the provider.
- **Basic Service Direct Delivery (Y1 & X2):** In this model, the community transport provider delivers basic transport services using its own resources. The service typically consists of a basic ride from one

location to another, with limited or no additional support or assistance provided. This service is best suited for participants who require less support and only need transportation from point A to point B.

- **Full-Service Indirect Delivery (Y2 & X1):** This service type occurs when a community transport provider outsources the delivery of a comprehensive range of services and support to meet passenger needs to third parties or brokers. It still includes the full scope of transport benefits, such as door-to-door assistance, care support and other additional services. The primary providers manage the overall service but relies on external partners to deliver the transport service.
- **Basic Service Indirect Delivery (Y2 & X2):** In this model, the community transport provider offers basic transport services through external partners or brokers. The transport only covers the essential ride from one location to another, with limited or no additional support. This model is typically used for participants who require basic transport, with service delivery managed by a third party such as taxis and rideshares rather than the community transport provider itself.

### 5.2.2 Pricing and Policy Arrangements: Passenger Support Needs

The NCTPM is designed to reflect the costs of delivering community transport services to individuals with varying levels of support needs, including participants with complex and diverse needs. The National Variable Pricing Formula (NVPF) classifies participants into Low Support Needs and High Support Needs based on the Australian Bureau of Statistics' Survey of Disability, Ageing and Carers (SDAC).

When assessing a participant under the NVPF support needs are:

a. **Low Support Needs** - This refers to when a participant requires minimal assistance, such as those who are mobile with a walking stick or need only basic guidance during the trip.
b. **High Support Needs**- This refers to participants who require significant assistance during transport. This may include individuals using mobility aids (such as wheelchairs or lifters), those needing additional physical or psychological support, and participants who may need extra support due to diverse needs. It is important to note that diversity does not equate to disability; however, diverse needs may intersect with high support requirements. For example, a participant may need specialised services such as dementia care, interpretation for non-English speakers, or tailored support for Aboriginal and Torres Strait Islander participants during the trip.

**High Support Needs Pricing Arrangement:** Providers are expected to clearly document the additional activities undertaken to classify a participant as having high support needs. This includes detailing the specific

requirements, the service delivery approach, and retaining evidence that justifies the additional level of care. Although the classification must align with the participant's My Aged Care assessment and care plan, each organisation has discretion over how documentation is maintained. All claims relating to high support needs are subject to government audit and must demonstrate compliance and transparency in both classification and service delivery.

The classification of disability types used under the NCTPM to determine support needs based on functionality and mobility (physical or psychological) as per defined in the ABS SDAC Survey includes:

1. Sensory and speech (e.g. loss of sight, difficulty with hearing and/or speech)
2. Intellectual (difficulty learning or understanding things)
3. Physical restriction (pain, discomfort, disfigurement or deformity that restricts everyday activities)
4. Psychosocial (nervous, emotional, mental or behavioural condition that restricts everyday activities)
5. Head injury, stroke or acquired brain injury (ABI).

**Other considerations when assessing support needs for participants:**

a. Community providers should ensure that cultural, physical, and psychological services are tailored to provide culturally safe and appropriate care, such as language support, culturally sensitive staff, and acknowledgment of traditional customs or health practices.
b. Community transport providers should invest in cultural competence training for their staff. The NCTPM encourages providers to incorporate specific provisions for cultural support into their pricing models, ensuring that transport options meet the unique needs of these communities.
c. Community transport providers must be equipped to support participants with significant assistance needs during trips. Diversity does not equate to disability; however, it may require tailored responses such as dementia-aware services, language interpretation for non-English speakers, or culturally safe care for Aboriginal and Torres Strait Islander participants.
d. Under the High Support Needs Pricing Arrangement, providers must document the additional activities and supports delivered, linking them to the participant's My Aged Care assessment outcome and care plan. All such claims, including those supporting diverse populations as outlined in the Support at Home Program Manual, are subject to government audit and must demonstrate transparency, consistency, and compliance.

### 5.2.3 Pricing and Policy Arrangements: Provision of Culturally Appropriate Care in Community Transport for Indigenous Australians

The Variable Trip Cost component of the National Variable Pricing Formula (NVPF) can include high-support need fees for clients who have explicitly documented functional needs when delivering culturally appropriate care for Indigenous Australians in community transport, particularly in rural and remote settings.

This includes additional costs incurred to:

1. Provide flexible, client-led service delivery that accommodates Aboriginal cultural practices such as sorry business, family commitments, kinship obligations, and community events, recognising that time is often experienced in a cyclical, rather than strictly linear.
2. Employ two-person transport teams to ensure safety for clients and staff, especially in high-risk areas or during extreme weather conditions common in some remote regions.
3. Manage high vehicle running and maintenance costs, including long-distance repairs in regional hubs such as Broome, and addressing accelerated vehicle wear and tear due to rough remote road conditions.
4. Support recruitment and retention of Aboriginal staff, recognising additional investments in licensing, mentoring, cultural safety, and professional development, which directly enhance the cultural safety and accessibility of services for Indigenous clients.
5. Adapt transport operations to meet gender protocols, avoidance relationships, and language preferences, ensuring respect for Indigenous customs during service delivery.

## 5.3 Capital Inputs

### 5.3.1 Pricing and Policy Arrangements: Infrastructure costs

This section provides policy and operational guidance on how infrastructure-related costs, including fleet, technology, and physical assets, should be recognised, funded, and managed under the NCTPM.

**1. Capital Cost Inclusion in Pricing Models**

a) Infrastructure costs are incorporated into the model through scheduled depreciation and planned capital renewals. Depreciation funding must be reserved solely for vehicle replacement and must not be redirected to cover operational or unrelated expenses.

b) The cost of capital items, including fleet (owned or leased), IT systems, and facilities is incorporated into the NCTPM via the National Variable Pricing Formula (NVPF). These capital elements are embedded within the unit trip cost to ensure pricing reflects both operational and infrastructure-related expenses, including the costs of scheduled depreciation and planned capital renewal.

**2. Key Difference:**

a) Capital items are the physical assets acquired (e.g. vehicles, IT systems, buildings). These assets are either purchased or leased and are subject to depreciation over time.

b) Infrastructure costs refer to the broader ongoing costs associated with owning, maintaining, or upgrading those assets, including depreciation, capital renewal, and sometimes associated services for both owned and leased vehicles (e.g. IT support, facility upkeep and vehicle maintenance and repairs).

### 5.3.2 Pricing and Policy Arrangements: Vehicle depreciation

a) The NCTPM allows for the accumulation of reserves to replace vehicles as they reach end of their useful life – Finance and Accounting Team Lead in community transport organisations must ensure accurate depreciation calculations aligned with Australian taxation law and estimation of margin per trip cost delivered is accurate and reserves are kept for future asset replacement.

b) Due to historically unsustainable pricing in community transport, many providers face significant challenges in replacing ageing vehicles, resulting in higher government costs for repairs and maintenance. To address this, one-off government support may be necessary to assist community transport organisations in renewing their fleets, particularly where past management practices or funding constraints have prevented the accumulation of adequate depreciation reserves. This is especially critical for operators currently functioning in a 'survival mode' using cross-subsidies or limited contracts.

### 5.3.3 Pricing and Policy Arrangements: Vehicle utilisation and Efficiency performance

To optimise workforce and vehicle utilisation, community transport providers applying the National Variable Pricing Formula (NVPF) are advised to:

a) **Align Vehicle Use with Demand Patterns**
Operators should aim to maximise vehicle utilisation by aligning fleet availability with periods of peak service demand.

b) **Encouraging Shared Trips and Route Consolidation**

Operators are encouraged to increase vehicle efficiency by consolidating trips where participant needs align. This includes:

• Using shared transport options when feasible, reducing the number of single-passenger trips.

• Prioritising multi-participant route planning to minimise empty kilometres.

• Incorporating dynamic scheduling tools to identify and match overlapping trips.

c) **Utilising Technology to Improve Dispatch Efficiency**

Technology should be used to support real-time trip matching and improve the responsiveness of services (the NCTPM allows for the purchase of Techology to achieve this). This involves:

• Implementing scheduling software that integrates with booking and dispatch systems.

• Using GPS to monitor trip performance and identify inefficiencies.

• Automating route optimisation to reduce vehicle non-utilised time and unnecessary travel.

d) **Monitoring and Benchmarking Vehicle Utilisation**

To support ongoing efficiency improvements, operators should regularly measure and report on vehicle utilisation. Key practices include:

• Tracking kilometres travelled per vehicle annually and comparing against sector benchmarks.

• Identifying high- and low-performing vehicles and routes.

• Using utilisation data to inform funding applications and service design.

• In low-density population areas and services for diverse needs groups (e.g. dementia support), standard utilisation metrics may not apply. Alternative tracking approaches and additional support may be required to ensure equitable and meaningful benchmarking of vehicle utilisation and labour utilisation correlation.

## 5.4 Labour Inputs

### 5.4.1 Pricing and Policy Arrangements: Modern Award

Under the NCTPM, community transport providers are required to adhere to the following pricing and workforce policy arrangements to ensure alignment with national employment standards:

1. **Workforce Remuneration Framework**

a) The model assumes that providers remunerate their workforce in accordance with the Social, Community, Home Care and Disability Services Industry Award 2010 (SCHADS Award, Level 3 Pay Point 3).

**2. Standard Working Hours**

a) The model assumes ordinary working hours for community transport personnel are defined as:

- Standard working hours: 6:00 AM to 8:00 PM, Monday to Friday.
- Note: The model does not account for costs incurred outside these hours.

**3. Integrating Volunteer-Driven Services**

a) The model assumes a notional workforce composition of 36% volunteers and 64% paid staff. However, this is not prescriptive. Each organisation should make its own business decisions regarding workforce structure based on local context, service demand, and organisational capacity. Volunteer engagement varies significantly across states and regions due to a range of factors, including community culture, demographic profiles, availability of volunteers, regional employment market conditions, and historical service models. For example, some states have a strong tradition of volunteerism supported by local government or community networks, while others rely more heavily on paid staff due to workforce availability, risk management requirements, or service complexity. In low-density population communities or areas with high participant complexity (e.g. high support needs, remote areas), organisations may require a predominantly paid workforce to ensure reliability and ongoing business practices.

b) By contrast, communities with active retiree populations and strong local networks may find a volunteer-rich model both feasible and desirable blending paid and volunteer roles in similar functions can lead to industrial risk, role ambiguity, and long-term sustainability issues. Organisations are therefore encouraged to clearly define the roles of paid staff and volunteers aligned with participant support levels or operational responsibilities. Given this variability, the National Community Transport Pricing Model (NCTPM) does not prescribe a fixed workforce composition. Instead, it allows flexibility for providers to align their workforce strategy with local conditions, regulatory obligations, and service delivery goals.

c) The NCTPM acknowledges that blending volunteer and paid roles for similar tasks may carry risks, and organisations are encouraged to define distinct roles; potentially based on participant support needs. Further sector-wide guidance and research are needed to support best practices in volunteer–paid staff integration. The model also recognises that volunteers are not ‘free’ and require investment in recruitment, training, and retention.

**Pricing Considerations:** All labour-related costs including those for volunteers and paid staff are accounted for in the NCTPM’s overhead cost calculations.

### 5.4.2 Pricing and Policy Arrangements: Training, Screening and Provider Obligations for Community Transport Workforce

All providers delivering community transport services must ensure appropriate background checks and screening are conducted for all staff and volunteers.

Community transport providers delivering services under the NCTPM are required to meet mandatory and recommended training standards to ensure the safety, dignity, and quality of service for participants, particularly older adults and people living with disabilities. The set of training programs, certifications, qualifications and accreditations are subject to individual organisation's human resources management and quality compliance policies.

**Pricing Considerations under the NCTPM:**

- Training costs have been incorporated into the pricing model
- Providers are encouraged to include ongoing professional development in their final unit prices to retain skilled workforce and ensure compliance if government funding arrangements enable this to occur through Award increases or contract arrangement such as the Fair Work Commission's Stage 3 decision scheme.
- In commissioned markets or low-density population communities, additional funding may be considered for access to training where barriers exist.

### 5.4.3 Pricing and Policy Arrangements: Workforce composition and The National Variable Pricing Formula (NVPF)

1. **Workforce Balance (Paid Staff vs. Volunteers)**
    a) **Mixed Workforce Model:** The National Community Transport Pricing Model (NCTPM) assumes a mixed workforce model that includes both paid staff and volunteers (36% volunteers and 64% paid staff).
        a. Operators should maintain a balanced workforce, with paid staff handling key service functions and volunteers contributing where possible.
        b. Community transport providers are advised to consider the evolving dynamics, challenges and barriers in volunteer recruitment and retention and adapt workforce strategies accordingly when conducting workforce planning.

c. The model also recognises that volunteers are not ‘free’ and require investment in recruitment, training, and retention.

### 5.4.4 Pricing and Policy Arrangements: Labour and Vehicle utilisation - Efficiency performances

1. **Optimising Workforce Utilisation**

a) **Aligning Work Hours with Service Demand:** Operators should seek to optimise workforce utilisation by aligning staff working hours with peak service delivery periods. Insights from the NCTPM suggest that improved scheduling practices can reduce inefficiencies, such as:

- Ensuring that workforce availability aligns with times of high service demand.
- Implementing flexible work schedules to meet fluctuating demand while maintaining service quality.

b) **Improved Trip Scheduling:** Investing in efficient trip scheduling systems can help maximise the use of available workforce resources, both paid staff and volunteer. This helps reduce unoccupied vehicle time and ensures that services are provided as efficiently as possible without compromising quality.

## 5.5 Reporting

### 5.5.1 Pricing and Policy Arrangements: Technology

The NVPM provides a nationally consistent framework for calculating Community Transport unit trip costs. This pricing model recognises technology as a core operational input, not a discretionary expense. Therefore:

a) Technology investment should be embedded in service pricing models, including costs associated with software licenses, devices, connectivity, system integration, training, and support.
b) The NVPM explicitly accounts for technology implementation, a position informed by pilot organisations that adopted Transport Management Systems (TMS) during the matrix’s development phase.
c) Funding programs aligned to NVPM should support upfront and ongoing tech investment, particularly for providers in regional, rural, or volunteer-led contexts.

Technology adoption in community transport is essential to:

- Streamlining data capture and reporting
- Improving strategic planning, workforce and fleet management
- Increasing transparency and accountability
- Improving participant experiences and staff efficiency

- Enabling data-driven decision-making
- Aligning with government reporting systems such as the Data Exchange (DEX)

The NVPM, based on the technology change management approach followed during the development phase, recommends the following approach for adopting and implementing technology, particularly Transport Management Systems (TMS) on a sector-wide scale.

**a. Structured Communication & Engagement**

i. Provide early, clear communication on changes and timelines.
ii. Co-design data definitions, tools, and workflows with service providers and IT vendors.
iii. Ensure plain-language, role-based guidance for frontline staff.

**b. Funding for Implementation Support**

i. Allocate funding specifically for digital transformation, including staffing, system upgrades, training, and integration services.
ii. Ensure tech-related costs are eligible under program funding arrangements.

**c. Training & Knowledge Transfer**

i. Offer hands-on training tailored to CT operational models.
ii. Fund sector intermediaries (e.g., peak bodies) to deliver peer learning, communities of practice, and case study and/or lead the change management process.

**d. Phased Rollouts with Feedback Loops**

i. Avoid rapid implementation of systems
ii. Introduce reforms through pilot phases with real-time feedback from providers, IT vendors, and industry partners.
iii. Include an evaluation and revision stage before full implementation or national roll-out.

## 5.6 Operating Model

### 5.6.1 Pricing and Policy Arrangements: Participant contributions

The NCTPM does not duplicate the work of the Ministerial Working Group and the Department of Health, Disability and Ageing on participant contributions. Its only distinction is that it remains neutral on whether the final price includes a participant contribution, leaving that decision to relevant funding bodies or policy settings.

### 5.6.2 Pricing and Policy Arrangements: No Shows and Cancellations

The model establishes clear policies regarding cancellations and no-shows under the NCTPM. The following guidelines should be considered:

**Cancellations:** Participants must provide at least 24 hours' notice for cancellations to avoid charges.

a) Cancellations made within 24 hours of the scheduled pick-up time may incur a cancellation fee, that is a proportion of the preparatory work performed by the organisation to organise the trip as per the original scheduled service.
b) The cancellation fee paid by the participant will need to be documented in the organisational policy. The model has only factored in the government contribution (subsidy) of the trip.

**No-Shows:** The model permits the application of no-show fees when a participant fails to cancel a scheduled service within the required 24-hour notice period or does not show up without prior notice.

Fees may include the full trip cost, and providers are encouraged to:

a) Communicate the cancellations and no-show policy clearly to participants at the time of booking, ensuring transparency and reducing potential disputes.
b) Organisations must have a fee waiver policy in place for participants who are unable to pay any out-of-pocket costs, where applicable.

### 5.6.3 Pricing and Policy Arrangements: Indexation

To ensure the National Community Transport Pricing Model (NCTPM) remains responsive to changing cost conditions, the National Variable Pricing Formula (NVPF) will be subject to regular review and adjustment using a structured and transparent indexation process.

The methods used in the NVPF indexation process will comprise a hybrid average of the following indicators, based on an annual rate and applied to each component of the formula.

- Labour-related costs – Index used (Wage Price Index (WPI)
- Transport-related costs – Index used (CPI – Transport Group)
- Overheads/Other costs – Index used (CPI – All Groups (National)

**Index References**

- Wage Price Index (WPI) – ABS Catalogue No. 6345.0
- CPI – Transport Group – ABS Catalogue No. 6401.0, Section 7
- CPI – All Groups (National) – ABS Catalogue No. 6401.0

### 5.6.4 Pricing and Policy Arrangements: Contract length, Contract Arrangements and Outputs.

This section outlines the recommended duration and structure of government funding contracts under the National Community Transport Pricing Model (NCTPM).

**Contract length (Government Program Funding):** The National Community Transport Pricing Model (NCTPM) recommends that government funding contracts span 5 years. This longer-term engagement period enables service providers to undertake vehicle leases and strategic and financial planning for key aspects of their operations. It allows organisations to:

- Optimise vehicle utilisation and plan for timely fleet replacement.
- Develop and retain a skilled workforce through long-term planning.
- Forecast business growth and respond to emerging service opportunities.
- Align services with evolving community needs, particularly in dynamic regional and demographic contexts.
- Achieve sustainable efficiency gains and productivity improvements over time.

**Contract arrangements:** The NCTPM works on the assumption of block funding remaining the primary funding mechanism for community transport.

**Key Benefits of the block funding underpinning the NCTPM:**

- Ensures cash flow stability, critical for forward planning and continuity of services.
- Provides flexibility in service design, allowing tailored responses to diverse participant needs.
- Reduces administrative burden, especially for smaller and regional operators.
- Avoids incentivising volume at the expense of service quality or person-centred outcomes.

**Other considerations on contract arrangements:**

a) Under the NCTPM, the administration of block funding grants follows a community need-based model. Organisations can receive between 80–120% of their original grant allocation This ensures that if an organisation is unable to fully utilise its funding due to market conditions or operational constraints those unspent funds can be reallocated to other organisations that have exceeded their grant limits and are responding to increased community demand. In line with other NCTPM parameters, organisations will also receive funding to support the technology needed to track, demonstrate, and be audited against their service outputs. This mechanism prevents funding from sitting unused and ensures that community transport funds remain within the sector and are redirected where they are most needed. If funds are redistributed between organisations, allocations reset at the start of each financial year on the 1st July.

b) Under the NCTPM, trips will be allocated to participants based on assessed needs, ensuring individuals receive appropriate support according to their circumstances. However, block funding will be allocated directly to organisations, calculated using the National Variable Pricing Formula (NVPF) and based on a forecasted trip volume analysis for each provider. This approach ensures participant needs drive service delivery, the model also supports equity and advocacy outcomes, enabling participants to access vital services such as transport based on support needs and frequency of required travel while funding and contract arrangements with the government and services providers flows predictably to providers to support planning, service continuity, and operational efficiency.

# Part D: From Pilot to Practice: Readiness and Rollout

This section covers:

- **Sector Readiness Assessment**

# 6.National Implementation Assessment.

## 6.1 Sector Readiness Assessment

### 6.1.1 Methodology

The development of the National Community Transport Pricing Model (NCTPM) was grounded in a robust pricing and policy co-design process, supported by ongoing consultation with a working group comprising up to 31 community transport providers from across Australia. As part of the Sector Readiness Assessment, a series of online workshops were conducted to explore key issues currently affecting the Community Transport sector, as well as the broader Aged Care sector factors which may either enable or constrain the implementation of the NCTPM.

**NCTPM Sector Readiness Asssessment**

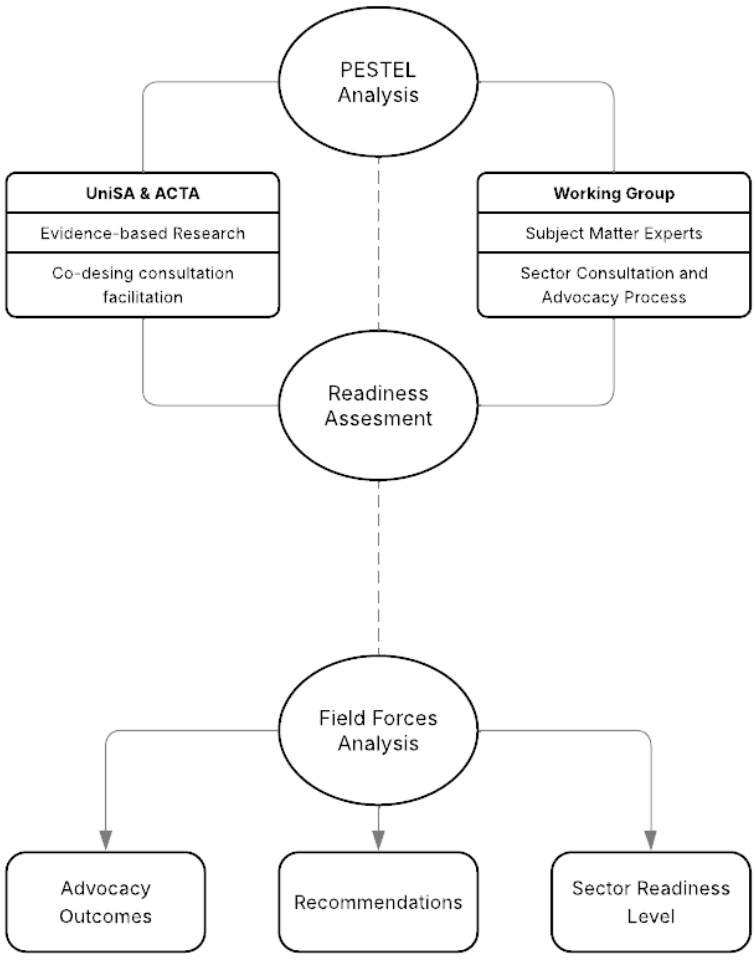

**Figure 2:** NCTPM Sector Readiness Assessment Framework

Insights and recommendations emerging from these workshops were shaped by both stakeholder input and informed policy analysis, with direct reference to the NCTPM Final Report developed by the University of South Australia.

The analytical framework (**Figure 2**: NCTPM Sector Readiness Assessment Framework) underpinning the workshops began by asking working group participants to identify key Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) factors influencing the short and long-term implementation of the NCTPM. Participants were then invited to assess each factor and its associated themes according to their perceived level of difficulty to influence or change, ranging from very easy to very hard.

This process provided a high-level snapshot of sector perceptions regarding change readiness, resilience, and the challenges involved in overcoming barriers to innovation and transformation.

The insights from this exercise will later be used to construct a Force Field Analysis, aimed at identifying the 'driving' and 'restraining' forces affecting the sector's ability to transition toward the new pricing model. These findings will inform targeted recommendations and proposed actions based on the type of issue, nature of the influencing forces, and the sector's overall readiness for change.

### 6.1.2 Key Influencing Factors on NCTPM Implementation (Internal and External)

| Political | Economic |
|---|---|
| 1. With the Commonwealth Home Support Programme (CHSP) scheduled for phase-out within two years under the Support at Home reform, questions remain about government appetite for introducing a radically new pricing model during a period of system transition.<br>2. Potential Lack of commitment from broader community transport sector to adopt or align with the proposed pricing model. | 1. Funding restrictions and limitations for new vehicles limit providers' ability to replace ageing fleets and align with depreciation schedules.<br>2. Lack of funding for accessible vehicles (e.g., with wheelchair lifts) poses a risk to service equity and compliance with inclusive transport standards.<br>3. Persistent cost of living and inflation increase the baseline cost of service delivery, impacting |

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| 3. Local transport networks exhibit political sensitivity and instability, making policy shifts challenging.<br>4. Local governments express concern regarding the implications of digital technology and payment systems integration.<br>5. Advocacy efforts with government bodies are active; however, there is limited reciprocal communication or engagement from the Department of Health, Disability and Aging.<br>6. Risk that the implementation of the new pricing model for community transport may delay service provision under the Support at Home program, potentially pushing back the broader Commonwealth Home Support Programme (CHSP) extension timeline.<br>7. Insufficient funding allocated to support transition and change management activities required to support the sector through the pricing model shift.<br>8. Difficulty in securing funding to upgrade essential transport equipment and technology, usually contract arrangements with the Department of Health, Disability and Aging does not allow organisations to purchase assets with the granted funding.<br>9. The need to establish a level regulatory and funding playing field with commercial operators such as taxis and rideshare services (e.g., Uber). | vehicle maintenance, fuel, insurance, and staff wages.<br>4. Ongoing tension between what Commonwealth Home Support Program (CHSP) and the recently launched Support at Home Program funding permits and the actual costs required to meet care and transport needs undermines sustainable service provision.<br>5. A significant payment gap exists for participants aged over 65 who are not pension recipients but also cannot afford market-rate transport services.<br>6. Growing demand from participants needing transport for medical appointments who do not qualify for subsidies due to income or pension status as well as delay in assessments and referrals on my Aged Care System increases financial strain on providers.<br>7. Limited availability of suitable vehicles for purchase affects providers' ability to modernise fleets in line with service delivery and accessibility requirements.<br>8. Transitioning to the Support at Home model increases administrative workload and demands more staff time, elevating internal operational costs.<br>9. Variability and inconsistency in participant co-contributions create budgeting challenges and undermine cost-recovery efforts.<br>10. Maintaining IT infrastructure is a significant financial uptake or small and medium-sized providers. |

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| 10. Reductions in the financial contribution from regional councils for older persons' transport services are impacting service sustainability.<br>11. Department of Health, Disability and Aging funding arrangements with community transport providers now discourage asset purchases, favouring lease models, which complicate capital investment planning.<br>12. Reversion to a self-funded model (individual budget and fee-for-service under Support at Home Program) for senior Australians undermines equitable access principles.<br>13. Some state governments are shifting towards a zonal pricing model for public transport, such as New South Wales flat levy approach, creating potential misalignment with the national model.<br>14. Short contract lengths within funding arrangements discourage long-term investment and strategic planning by service providers.<br>15. Lack of clear communication from the Department of Health, Disability and Aging creates uncertainty, miscommunication and limits informed planning.<br>16. Short-term CHSP funding extensions with no indexation or long-term commitment hinder providers' capacity to plan for pricing model changes and investment in systems or workforce.<br>17. Government policy trends favouring competitive tendering and market-based mechanisms in aged care may challenge NCTPM | 11. Indexation mechanisms in the NCTPM must be robust enough to reflect actual annual wage increases rather than applying the currently low and arbitrary CHSP indexation rates.<br>12. Differentiating between service complexity (e.g., high-needs participants, brokered or third-party service models) leads to increased administrative and financial costs not always captured in flat pricing structures.<br>13. The coexistence of CHSP, SaH, NDIS, state-funded transport assistance, and private transport creates price disparities and economic inefficiencies, complicating alignment with a unified pricing model. |

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| implementation if funding becomes contingent on competitive cost profiles, undermining equitable access transport and in challenging economic and market conditions such as thin markets.<br>18. Lack of coordination between Commonwealth, state, and local governments on transport and aged care responsibilities can lead to fragmented implementation of the NCTPM.<br>19. Government investment and emphasis on digital transformation in aged care (e.g., My Aged Care redesign, digital standards) place additional expectations on providers to adapt. | |
| **Social** | **Technology** |
| 1. The NCTPM must preserve flexibility for providers to continue utilising volunteer drivers and support staff, recognising their critical role in service delivery, particularly in regional and remote areas.<br>2. Securing bipartisan political support is essential to ensure continuity and stability in implementation across electoral cycles and political changes.<br>3. Clear, accessible communication strategies are needed to explain pricing model changes to | 1. Low participant (clients) uptake of technology in community transport due to lack of funding poses a barrier to efficient transport service delivery.<br>2. Key variables and data points for transport allocation remain unclear under CHSP and The Support at Home Program DEX Reporting requirements.<br>3. Improvements to digital system integration, linking My Aged Care (MAC), DEX (Data Exchange), internal transport and participant record systems are critical to reduce |

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| participants, carers, and families, minimising confusion and resistance.<br>4. Comprehensive training must be provided to community transport providers and frontline workers to support their understanding and operationalisation of the new model.<br>5. Parallel investment in volunteer recruitment, retention, and support is needed to ensure continuity of services where volunteers underpin operations or business workforce strategy.<br>6. Development of clearly defined national guidelines is necessary to prevent fragmented implementation across jurisdictions and individual providers.<br>7. An ageing demographic is creating greater demand for accessible, affordable transport, particularly for older people who are isolated, have mobility limitations, or live in low-service areas.<br>8. Australia's multicultural ageing population requires transport services that are culturally safe, with appropriate communication, interpreter services, and awareness of cultural expectations regarding service interactions.<br>9. The volunteer workforce in community transport is ageing and shrinking, and without sustained support or incentives, social capital supporting the system may erode, reducing service availability.<br>10. Many CHSP and Support at Home participants live with disability. The model must ensure that | duplication, administrative burden and ensure accurate contract reporting.<br>4. A significant proportion of older volunteer and staff drivers face barriers in adopting digital tools (e.g., app-based dispatch or tracking), which may limit uptake of efficiency measures unless supported by training or alternative processes.<br>5. Lack of cross-casting data between NDIS and MAC systems present challenges for organisations serving both cohorts, leading to data silos, inconsistent participant information, and administrative inefficiencies.<br>6. Specialised IT systems for transport (e.g., to track kilometres, time, route optimisation) introduce high upfront and ongoing costs, particularly burdensome for smaller community transport providers.<br>7. Lack of stable internet and mobile connectivity in rural and remote areas limits the effectiveness of digital tools required under the NCTPM, including real-time tracking, data reporting, and participant communication systems.<br>8. Lack of ad-hoc grants to support community transport providers in implementing technology. |

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| services are inclusive and aligned with the principles of the National Disability Strategy, especially around accessibility and communication support.<br>11. Beyond medical appointments, transport enables social outings, shopping, and community participation. The NCTPM should recognise and support the social inclusion function of community transport, not just clinical or functional needs. | |
| **Environment** | **Legal** |
| 1. Increased frequency and severity of natural disasters (e.g., floods, bushfires, cyclones) pose major risks to community transport continuity, requiring extraordinary funding mechanisms that account for service disruption, vehicle damage, and temporary relocation.<br>2. Green energy transition pressures (including emissions reduction targets and environmental standards) are shaping government expectations for the aged care and community transport sectors.<br>3. Additional government support is needed to assist the sector in transitioning to electric vehicle (EV) fleets, including capital grants, operational subsidies, and policy incentives.<br>4. EV infrastructure rollout must prioritise regional and remote service locations, where charging access is limited but community transport remains essential for isolated populations. | 1. Compliance with differing road safety laws and regulations across states and territories.<br>2. Provision of ongoing training and operational support for drivers and staff, with clarity around legal responsibilities and duty of care.<br>3. Enforcement of Working with Vulnerable People (WWVP) and Criminal History Checks for all workforce engaged in service delivery.<br>4. Requirements for specialised training of support drivers to ensure safe and effective assistance for passengers with diverse needs, such as senior Australians living with dementia, CALD community members, etc.<br>5. Maintenance of valid driver authorisations and regulatory clearances as required under state and federal legislation.<br>6. Revision and formalisation of service agreements to reflect current standards, rights, responsibilities, and consent protocols. |

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| 5. Disaster recovery and emergency response funding mechanisms (e.g., post-cyclone vehicle replacement, temporary depot relocation) must be factored into the pricing framework to ensure viability under climate shocks. | 7. Assurance of adequate workplace health and safety measures, along with appropriate insurance coverage for staff and volunteers.<br>8. Adherence to the principles of the Aged Care Act and other relevant legislation, with implications for organisational liability.<br>9. Ongoing adaptation to strengthened requirements in the Commonwealth Home Support Programme (CHSP) and Support at Home (SAH) Manuals. |

### 6.1.3 Sector Readiness Assessment: National Implementation of the NCTPM

| PESTEL Domain | Key Challenges | Readiness Rating | Rationale |
|---|---|---|---|
| **Political** | Unclear government appetite to accept the pricing model and its policy arrangement recommendations during CHSP-to-Support-at-Home transition; inconsistent commitment across sectors; limited intergovernmental coordination; risk of delay to CHSP rollout; weak communication from Department of Health, Disability and Aging. | **Very Hard** | Significant systemic change amid major reform, fragmented governance, short contracts, and lack of communication reflect strong resistance to change and complexity in service delivery guidelines under government funding arrangements. |
| | Local instability (e.g. payment systems, political) and mismatch with state-level transport models (e.g. NSW levy) | **Hard** | State/federal disconnect and political sensitivity inhibit consistent application. |

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| | Lack of transition/change management funding and inability to purchase assets and or adopt technology to improve service delivery | **Hard** | Structural funding constraints persist; transition support funding is inadequate. |
| | Equity concerns with self-funded models; reductions in council contributions | **Moderate** | Local funding can fluctuate, but possible to mitigate with national support mechanisms. |
| **Economic** | Vehicle upgrade restrictions; cost of accessible vehicles; inflationary pressures | **Hard** | Economic pressures deeply affect sustainability; no clear offset mechanisms. |
| | Inadequate alignment between funding and real costs under Support at Home | **Very Hard** | Model misalignment with funding structures undermines viability at scale. |
| | Inconsistent participant co-contributions, individual budgets; complex service differentiation | **Moderate** | While these present ongoing challenges, sector is somewhat familiar with cost variability. However, without intervention, senior Australians will experience growing transport exclusion. |
| | High IT maintenance costs; unclear or ineffective indexation | **Moderate** | Technical issues are solvable but require funding and policy adjustments. |
| | Price misalignment across CHSP, SaH, NDIS, state, private | **Hard** | Economic coordination is a long-term challenge needing national leadership, policy arrangements adjustments and harmonisations in government funding for aged care services. |

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| **Social** | Volunteer reliance and ageing workforce; cultural responsiveness; disability inclusion | **Hard** | Workforce shortages in rural and remote areas, and cultural/ageing issues need multi-level policy responses. |
| | Need for bipartisan support; participant /carer communication; training | **Moderate** | Delivering these outcomes depends on strong sector advocacy and funding in sector capacity building to support service providers during aged care sector transitions. |
| | Preserving social function of transport; national implementation guidelines; support needs classifications and diverse needs groups | **Moderate** | Pricing and policy arrangements clarity can address these, but community buy-in is essential for the implementation of the NCTPM in a national scale. |
| **Technology** | High IT costs with inadequate or non-existent funding support | **Very Hard** | High IT costs with no dedicated or inadequate government funding for providers to offset them, limited rural and remote connectivity restricts digital adoption or requires expensive technology providers cannot afford. |
| | Low participant/volunteer uptake of digital tools | **Hard** | The Community Transport sector depends on an ageing workforce, volunteers, and often serves clients who are not well-versed in technology; without tailored change management and training |

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| | | | support, digital transformation is difficult for providers to implement. |
| | Integration across MAC, DEX, NDIS; data standardisation gaps | **Hard** | Systemic integration is complex but necessary; currently fragmented. |
| | Lack of grant support for IT systems; unclear reporting fields | **Moderate** | Administrative reforms and grant programs can improve readiness. |
| **Environment** | Disaster risk impact; EV transition pressure; green energy requirements | **Hard** | Sector lacks resilience/recovery funding and EV infrastructure access, especially in rural and remote areas. |
| **Legal** | Multi-jurisdictional road laws; driver clearances; disability-specific training | **Moderate** | Mostly process demanding; training and updates can meet requirements. |
| | Revision of service agreements; WHS and insurance obligations | **Easy** | Legal compliance is manageable with guidance and templates. |
| | Compliance with CHSP/SAH Manuals; adherence to Aged Care Act | **Moderate** | Requires alignment of pricing model with policy documents but feasible with updates. |

## 6.2 Field Forces Analysis

As part of the National Community Transport Pricing Model (NCTPM) Implementation Plan, a Force Field Analysis has been developed to identify the key driving and restraining forces influencing implementation at the national sector level. This analysis is directly informed by the Sector Readiness Assessment and will contribute to the development of the National Implementation Recommendations.

The Force Field Analysis serves two primary purposes:

1. To highlight the critical factors that may support or enable the successful adoption of the new pricing model; and
2. To identify potential barriers that could pose risks, requiring targeted mitigation strategies.

This section provides valuable insight into the dynamics of sector-wide change management and will inform the design of tailored support mechanisms, risk management plans, and transition strategies to enable a smoother, more effective national roll-out of the NCTPM.

**Driving Forces (Forces Supporting Change)**

| Driving Force | Domain | Strength |
|---|---|---|
| Reform momentum from CHSP to Support at Home creates an opportunity window for system redesign | **Political** | Moderate |
| Strong advocacy from community transport providers pushing for sector standardisation and fair pricing | **Political/Social** | Moderate |
| Increasing aged population with diverse needs increases demand for equitable, accessible transport | **Social** | Strong |
| Emphasis on digital transformation in aged care supports alignment with NCTPM reporting requirements, community transport service outputs clearly defined | **Technological** | Moderate |
| Growing recognition of transport's social inclusion role beyond medical/clinical trips | **Social** | Strong |

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| National disability and accessibility frameworks support inclusive service design | **Social/Legal** | Strong |
| Push for EV transition aligns with environmental policy and long-term cost reduction goals | **Environmental** | Moderate |
| Cross-casting system goals across MAC, DEX, and NDIS enhances data-driven planning | **Technological** | Moderate |
| Existing volunteer workforce remains committed in many regions | **Social** | Moderate |

**Restraining Forces (Forces Resisting Change)**

| Restraining Force | Domain | Strength |
|---|---|---|
| Unclear government commitment during CHSP-to-Support at Home transition, lack of communication from the Department of Health, Disability and Aging with the sector | Political | Very Strong |
| Fragmented intergovernmental transport and aged care responsibilities | Political | Strong |
| Short-term, unindexed funding contracts and inability to plan long-term, e.g., CHSP | Political/Economic | Very Strong |
| Inadequate funding for fleet upgrades, accessible vehicles, or IT systems | Economic | Strong |
| Ageing and shrinking volunteer base; recruitment and retention difficulties | Social | Strong |
| Technology uptake and capability gaps among participants, volunteers, and rural providers | Technological | Very Strong |
| Lack of clear guidance or reporting standards across My Aged Care, DEX, and NDIS | Technological | Strong |
| Inflation and cost-of-living increases outpacing indexation mechanisms | Economic | Strong |

| | | |
|---|---|---|
| Inconsistent participant co-contributions and market-based pricing undermining equity | Economic | Moderate |
| Lack of resilience funding for disasters and EV transition | Environmental | Strong |
| Multi-jurisdictional legal compliance adds complexity | Legal | Moderate |
| Limited engagement from Department of Health, Disability and Aging | Political | Strong |
| Divergence in transport models (e.g., NSW levy, QLD TSS (Taxi Subsidy Scheme) vs national model) | Political | Moderate |
| Risk that NCTPM implementation delays broader aged care service delivery under government-funded programs | Political | Strong |
| Complexity of delivering differentiated pricing for complex support or brokered services | Economic | Moderate |

# Appendix A