Community Transport Pricing Pilot (CTPP): Research Update

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Background and context

CT services are usually funded through a patchwork of government grants and subsidies

This study specifically examines CT services funded by the Commonwealth Home Support Programme (CHSP). The current level of subsidy support provided by CHSP does not account for variations in the service context. Broadly, the same level of support is offered to all operators, regardless of their service context
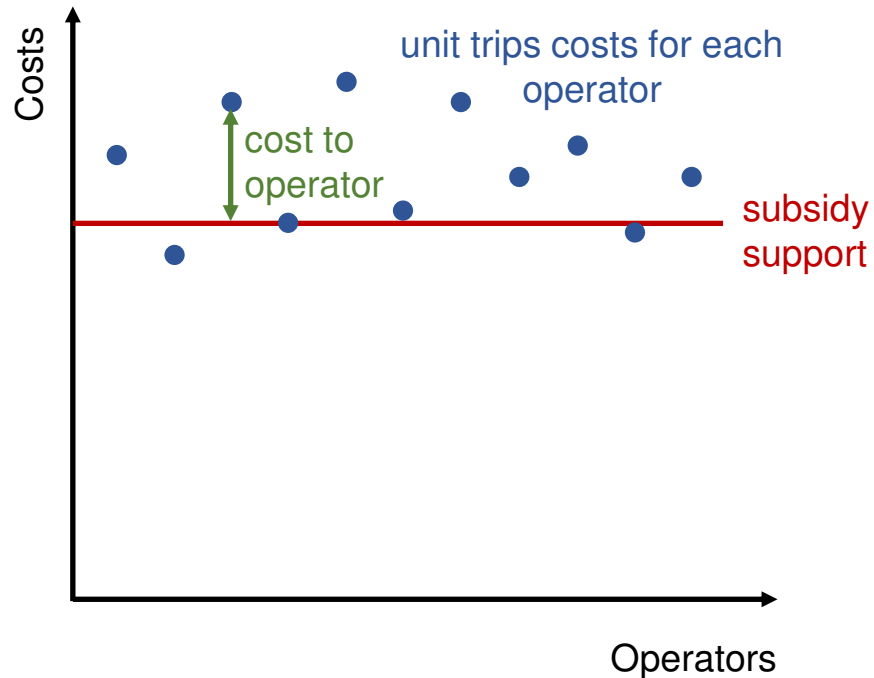

Current CHSP funding policy and unit prices
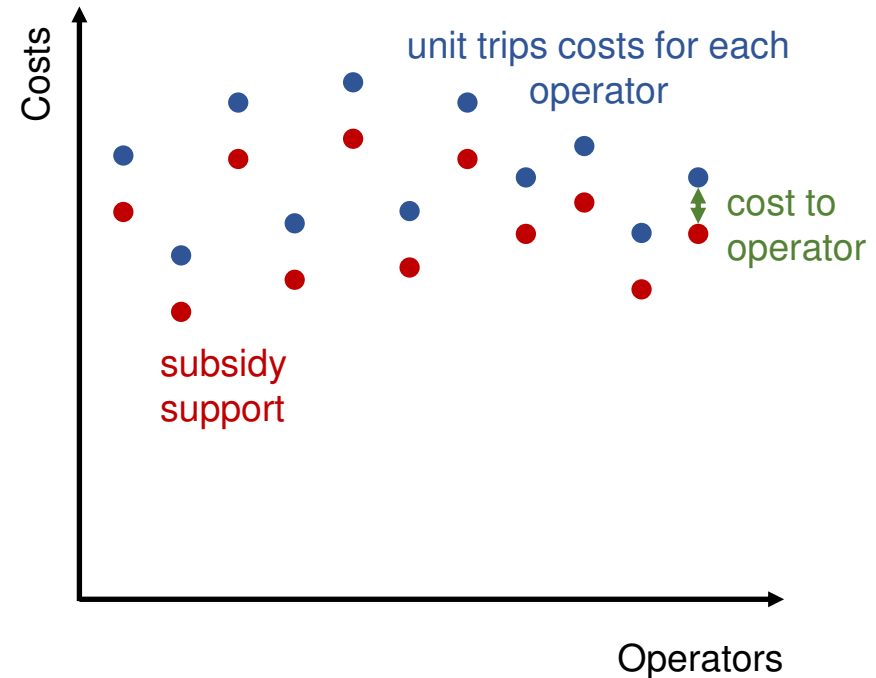
Funding policy and unit prices under the CTPP

Research objectives

The aims of the CTPP are:

1. To develop and test a more accurate way of calculating transport costs;

2. To develop and test alternative policy arrangements; and

3. To incorporate social engagement and client choice.

The University of South Australia (UniSA) will be working closely with ACTA and DoHAC to address these objectives
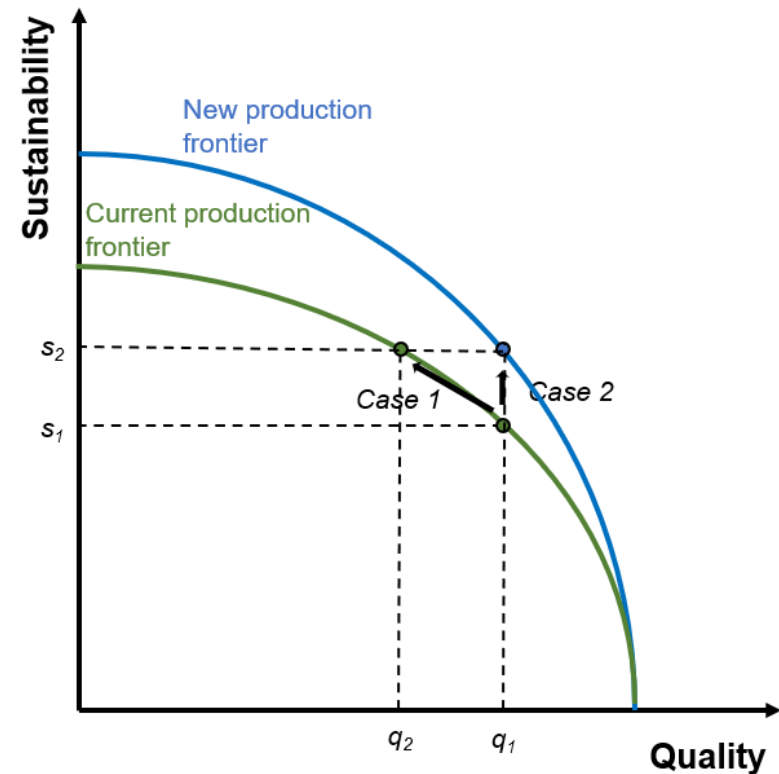
Theoretical framework for assessing impacts of the CTPP on sustainability and quality of CT services

Research design

Phase 1:
Framework Development and
Pilot Preparation

Literature review, stakeholder engagement and field tests to develop and trial assessment framework

Dec 2023 – Jun 2024

Phase 2:
Live Data Collection and
Analytics

9-month trial with 30 pilot participants

Jul 2024 – Mar 2025

Phase 3:
Final Analysis, Reporting and
Feedback

Complete data collection and analysis; document findings, insights and recommendations

Apr 2025 – Jun 2025

Evaluation framework

Labour inputs	Assess workforce composition, training impacts, and direct/indirect staffing roles
Capital inputs	Analyse vehicle fleets, IT systems, and other capital costs
Passenger needs	Recommend a full-service model that meets diverse client needs
Distance and geography	Evaluate local vs. long-distance transport and pricing factors
Reporting	Simplify reporting requirements and ensure accountability
Pricing model	Establish a fair, equitable, and simple pricing model
Operating model	Understand internal processes and optimize strategies

Data collection activities

1. **Operator-level information from CEOs/CFOs:** Online survey to collect high-level financial and operational information from each participating CT operator relating to the costs of providing CHSP-funded CT services

2. **Trip-level information from IT system:** For each CHSP-funded trip provided by a participating CT operator, we will be collecting detailed information during the 9-month pilot

3. **Qualitative interviews with CT operators:** Three rounds of interviews, before pilot commencement, mid-way through the pilot, and at conclusion

Operator-level information from CEOs/CFOs

We have collected this information for FY22-23 from all participating CT operators (and we will collect this information again for FY23-24 later this year)

Q11. We would like you to provide the following information on the vehicle fleet in FY 22-23:

Total number of vehicles

Total vehicle depreciation

Total vehicle loan expense (if applicable)

Total fuel cost

Total vehicle service and maintenance costs

Total vehicle insurance costs

Total vehicle registration fees

Total tolls and state costs (Please use a state:cost format, for example NSW:80000. if you operate in multiple states, please list them separately, for example NSW:80000, VIC:60000)

Q13. We would like you to provide the following information on employees and volunteers in FY 22-23 across all services provided by your organization (including but not limited to CHSP-funded community transport services):

Total employee cost (e.g., salary and on-costs)

Total volunteer cost (e.g., management, subsidies and other costs)

Q14. Please provide us the following lump sum overhead costs across all services provided by your organization (including but not limited to CHSP-funded community transport services) in FY 22-23?

Labor overhead costs (e.g., client assessment, trip bookings, service quality assurance, staff training and education)

Capital overhead costs (e.g., Office, depot, IT services)

Screenshot of online survey questions requesting CT operators to report different cost components relating to the provision of CHSP-funded CT services

Operator-level information from CEOs/CFOs

1. **Average costs:** Average and median unit trip costs tend to vary between $60 and $70

2. **Impact of service area:** Metro operators tend to have lower average costs than regional operators

3. **Impact of scale:** Larger operators tend to have lower average costs than smaller operators

Region	Size	Average Total cost	Median Total cost
All	All	72.3	62.8
Metro	All	55.9	53.4
Region	All	81.2	65.7
All	Large	50.3	50.9
All	Medium	63.1	63.7
All	Small	92.9	66.7

Average and median unit trip cost

Preliminary results; treat with caution!

Trip-level information from IT system

For each CHSP-funded trip provided by a participating CT operator, we are recording detailed information within the IT platform

| Data	Item	Units	Description
Trip details	Trip origin postcode	postcode	Postcode where passenger was picked up
	Trip destination postcode	postcode	Postcode where passenger was dropped off
	Trip distance (Quoted)	kms	Distance between the trip start and end points, and is the distance measure used to calculate the price/subsidy
	Trip distance (Planned)	kms	This may differ from the quoted distance in cases where multiple trips are being served on the same run, and other passengers need to be picked up and/or dropped off
	Trip distance (Actual)	kms	This is the actual distance travelled on the day, which may differ from planned distance due to daily conditions
	Booking time	timestamp	Timestamp when the trip booking was made
	Trip start time	timestamp	Timestamp when the vehicle departs with the passenger from pick-up point
	Trip end time	timestamp	Timestamp when the passenger has been unloaded at drop-off point
	Trip time component (Empty run)	seconds	Time spent driving from depot to pick-up point, and/or driving back to depot after drop-off, or the waiting time between the drop-off and the pick-up of the next trip
	Trip time component (Loading time)	seconds	Time spent loading the passenger at pick-up point (the recorded value)
	Trip time component (Trip time)	seconds	Time spent driving from pick-up point to drop-off point
	Trip time component (Unloading time)	seconds	Time spent unloading the passenger at drop-off point (the recorded value)

Specification of detailed trip-level data to be extracted from IT systems

Trip-level information from IT system

For each CHSP-funded trip provided by a participating CT operator, we are recording detailed information within the IT platform

Data	Item	Description
Vehicle details	Ownership	1 - Owned/leased by operator 2 - Owned/leased by volunteer/employee 3 - Other
Client details	Language spoken at home	1 - English 2 - Other
	Indigeneity	1 = Aboriginal 2 = Torres Strait Islander 3 = Both 4 = Neither
	Age	In 5-year bands
	Gender	1 = Male 2 = Female 3 = Other
	Disability type	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), 6 = Other
Driver details	Driver ID	The unique driver ID within the organization
	Volunteer status	1 = Volunteer 2 = Paid worker 3 = Other

Specification of detailed trip-level data to be extracted from IT systems

Trip remoteness and median speed
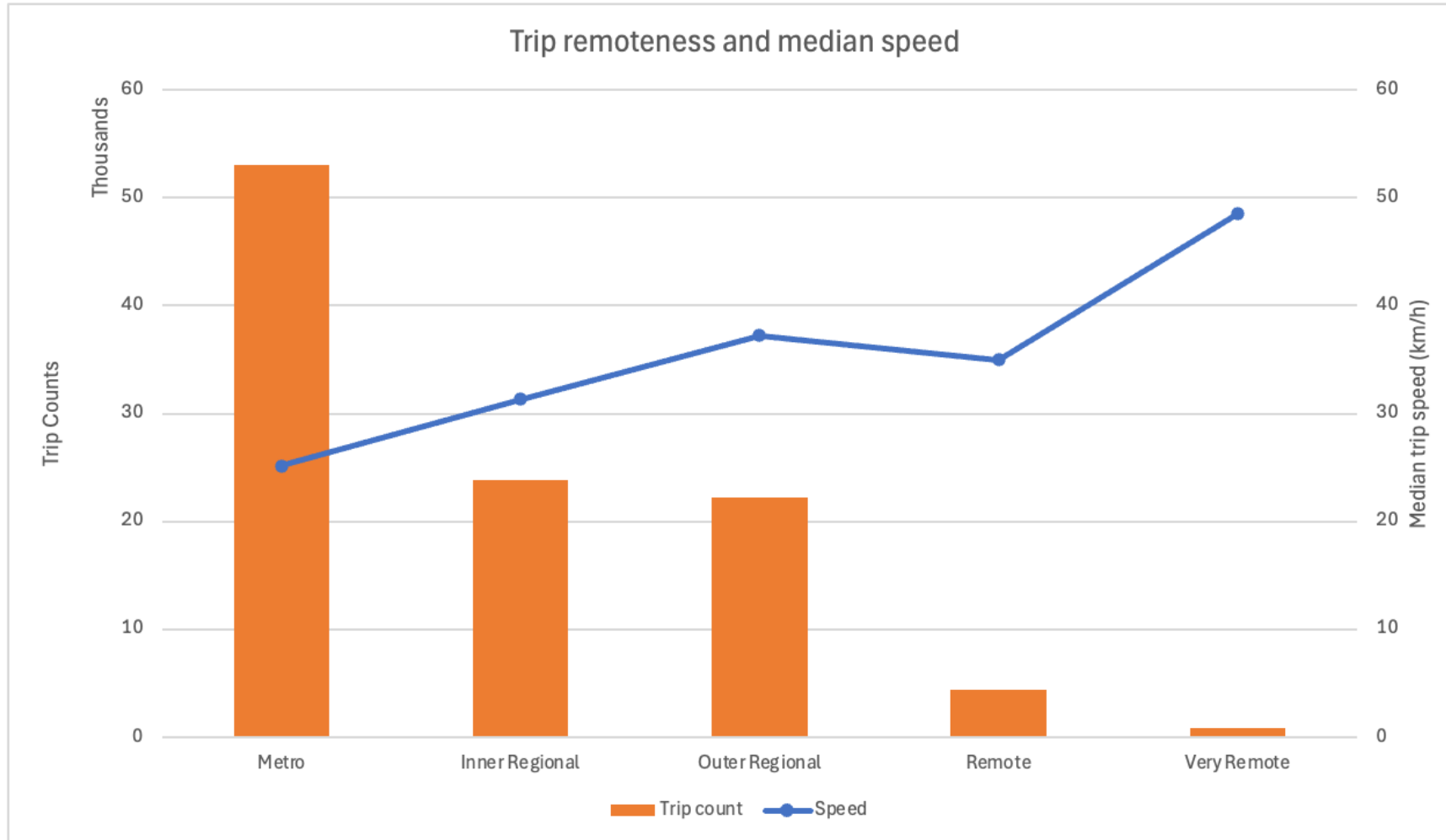
On average one unit of remoteness level increase is associated with 8 km/h increase in the median trip speed

Trip Remoteness vs Trip Cost
(Operator level)

We observe a positive correlation between operator average trip remoteness level and the estimated per trip cost from CEO/CFO survey

Qualitative interviews with CT operators

- Three 30 - 45 minute interviews across the trial

- Exploring the challenges, opportunities and complexities in Community Transport

- Round 1 interviews are complete and analysis is on-going

- Round 2 interviews will be held toward the end of the year

Qualitative interviews with CT operators – Preliminary Themes

1. **Sustainability**

- **CT is seen be some operators as un-sustainable on its own. Smaller operators are struggling the most, and larger organisations with a 'mixed-portfolio' of services are doing best.**

  Int: "So what does this mean for your future then?" Provider "I don't think we've got a long term future"

- **For CT providers with a mixed-portfolio of services CT was seen as the 'soft entry point' to provision of other services. For these providers CT services are considered a priority service.**

  "Transport is a really soft entry point for people to start to accept services and support on their journey as they continue to as they continue to age. So those services are certainly important"

- **CT is also seen as an essential community service, enabling older people to age in place and have a quality of life. It was felt that, with a fairer pricing model, there was more than enough demand for CT services and businesses could be sustainable.**

Qualitative interviews with CT operators – Preliminary Themes

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Some current challenges to CT services:

- **Staffing – finding drivers, building up volunteer numbers after COVID, recent wage rises.**

- **Fleet stock – replacing and maintaining ageing stock, under-utilisation of fleet stock, fuel costs, insurance costs, transitioning to hybrids (but not EVS), finding suitable stock with current delays in being able to purchase new vehicles.**

  "We're going to get to the point where we haven't got vehicles to provide transport if we can't replace them"

  "Fuel has definitely gone up over the last 12-18 months….and yes, that does hurt us. We're trying to be proactive and actually move to a hybrid fleet."

- **Aged Care Reforms – uncertainty in the sector, delays in reforms mean delays in long-term organisational planning**

  "Well, it's been hard to plan because we don't really know what's coming at you and when's they're coming. What's it mean? Everything like that. So it's impossible to plan so. And that planning is, you know, planning on a daily operational basis, but also planning more strategically where do you want to grow to? It's just madness. I don't think the government understands."

Qualitative interviews with CT operators – Preliminary Themes

What's working well in CT:

- **Making a difference**

"I think the fact that we're able we're still able to provide those vital services to keep help people stay in their home and stay in these communities longer. That's what keeps us going at the moment"

"What's working well for us is hearing about the impacts that the services is having on those people who use it."

"So one of the things that delights me is to hear service users come back and tell me…about the fact that they feel as though they are being seen; that they are visible, they are real people, when they engage with our drivers and the service."

Concluding remarks

The CTPP provides an incredible opportunity to reassess the value of community transport services, the cost of service provision, and the funding model

The CTPP has just begun – only 2 months in to a 9-month trial; stay tuned for more findings!