

Transforming Public Buses and Community Transport

Outline Business Case (June 2026)



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Executive Summary

Introduction

This Outline Business Case (OBC) sets out the case for transforming public buses and community transport across Dorset. It responds to Cabinet direction (January 2026) to explore a more sustainable, integrated approach to transport delivery.

The OBC provides an evidence-based assessment of the current system, future needs and potential options for reform. It does not seek to confirm final delivery arrangements or funding commitments, which will be developed through the Full Business Case (FBC).

Strategic Case – The Case for Change

Dorset's transport system is under increasing strain and is no longer well aligned to the needs of a modern rural county.

Bus services have declined in recent years and remain limited in frequency and coverage, particularly in rural areas. This limits the ability of residents to rely on services for everyday journeys and reinforces dependence on private cars or specialist transport. Although the council has intervened to maintain socially necessary services, the network remains insufficient to meet current and future needs.

Community transport provides essential access for rural and vulnerable residents, including older people and disabled users. However, provision is fragmented, inconsistently funded and heavily reliant on volunteers. While it delivers significant social value, its current structure limits its ability to scale, integrate or respond consistently to demand across the county.

The council's fleet operations support SEND, Adult Social Care and community services but operate within a constrained model. Vehicles are largely used during peak periods and are not easily shared across services due to operational, regulatory and workforce constraints. This results in under-utilisation of assets and limits opportunities to improve efficiency or expand provision.

SEND transport is a major and growing pressure within the system. Demand continues to rise due to increasing numbers of Education, Health and Care Plans and reliance on specialist provision, often located at a distance from home. The current model depends heavily on bespoke, individually commissioned journeys, making it resource-intensive and difficult to optimise.



Similarly, Adult Social Care transport is delivered through a predominantly dedicated system, focused on transporting individuals to and from day opportunities. Services operate separately from the wider network, reinforcing reliance on specialist provision and limiting opportunities to support independence or develop more local, flexible solutions.

Across the system, services are planned and delivered largely in isolation. This results in duplication, under-utilised capacity and a heavy reliance on high-cost, bespoke journeys. These challenges are compounded by Dorset's structural funding disadvantage compared to similar rural authorities, limiting the scope to improve or expand services.

The case for change is therefore clear. Dorset must move from a fragmented, service-specific model toward a more integrated and flexible transport system that makes better use of resources, supports greater independence and provides a sustainable long-term solution.

Strategic Objectives

The programme is designed to address these challenges through six key objectives:

- improving connectivity and reliability of services;
- enhancing access to employment, education and essential services;
- reducing social isolation and increasing independence;
- creating a financially sustainable and resilient transport system;
- supporting local communities and economic activity; and
- encouraging a shift toward more sustainable, low-carbon travel.

These objectives provide a clear framework for shaping future options and align with Dorset Council's wider priorities, including economic growth, strong communities and climate action.

Economic Case – Options and Preferred Direction

The Economic Case considers how these objectives can be delivered and assesses a wide range of potential options. The analysis demonstrates that incremental or isolated interventions will not address the scale of the challenge. Options focused on maintaining the current model or introducing limited improvements perform poorly against the programme's objectives and do not provide a sustainable solution.

In contrast, the highest-performing approaches are those that combine:

- demand management (including policy reform and travel training);



- expansion and diversification of transport supply; and
- integration of services and systems.

This demonstrates that only system-level change will address the underlying issues. The Preferred Way Forward is to move toward an integrated transport system, where services are planned and delivered as a single coordinated network. This model brings together:

- public bus services as the core network;
- community and voluntary transport supporting local access;
- flexible and demand-responsive services for rural areas; and
- targeted specialist provision for those with the highest needs.

It is underpinned by three interconnected principles:

- reshaping demand to reduce reliance on specialist transport;
- improving integration across services and providers; and
- expanding flexible, community-based transport options.

Two shortlisted option packages have been identified: representing a more incremental approach; and a more comprehensive system-wide transformation. These options provide a clear choice between pace and scale of change, which is a key decision point for Members.

Financial and Commercial Context

The Financial Case confirms that the current transport system is under increasing pressure, driven by demand growth and reliance on bespoke provision. Without change, these pressures are expected to continue.

The programme is therefore positioned primarily as a response to an upward cost trajectory, rather than a short-term savings initiative. Financial benefits are expected to arise over time through improved efficiency, reduced duplication and slower growth in high-cost provision.

At this stage, the OBC does not seek to confirm full funding requirements. Instead, it establishes the strategic direction, recognising that:

- detailed financial modelling will be developed at FBC stage;
- delivery will require a combination of existing resources, reprioritisation and future investment; and
- benefits will be realised progressively, with a focus on long-term sustainability.



The Commercial Case highlights that delivery will depend on a more coordinated and flexible provider market, requiring:

- stronger partnerships with bus operators and community providers;
- more integrated and outcome-focused commissioning; and
- a shift away from fragmented, service-specific contracts toward system-wide delivery models.

Management Case – Deliverability

Delivery will require a combination of existing resources, reprioritisation and future investment, with detailed modelling to be confirmed at FBC stage.

The programme is deliverable but represents a significant shift from current arrangements. Delivery will require coordination across multiple services, including transport, Adult Social Care and Children's Services, alongside engagement with operators, communities and service users.

A phased implementation approach will be essential to manage risk and ensure continuity of service. This will allow:

- early progress on demand management and lower-risk interventions;
- gradual expansion of transport provision; and
- progressive development of integration and coordination capability.

Strong governance, programme management and stakeholder engagement will be critical and will be developed in detail at Full Business Case stage.

Conclusion and Next Steps

This OBC demonstrates a clear and compelling case for change.

The analysis confirms that meaningful improvement requires a coordinated, system-wide transformation, rather than incremental change. An integrated transport system provides the most credible pathway to improving access, supporting independence and delivering long-term sustainability.

Subject to endorsement, the next stage will be the development of a Full Business Case. This will set out the detailed financial, commercial and delivery arrangements required to implement the programme, alongside a phased plan for delivery from 2027 onwards.



1 Introduction

This Outline Business Case (OBC) supports the decision set out in the Cabinet report (January 2026) to explore a more sustainable and integrated approach to transport delivery across Dorset. It builds on the direction agreed by Members to address growing pressures within the current system and to develop a clear, evidence-based pathway for reform.

The OBC provides a structured assessment of the available options, drawing on analysis of current performance, future demand and strategic priorities. It sets out how the council can move toward a more coordinated and efficient transport system, aligned with wider objectives for economic growth, community wellbeing and environmental sustainability.

This document establishes the case for change, identifies feasible options and assesses their merits. It is intended to support decision-making on the preferred approach and to provide a robust foundation for the development of a Full Business Case.



2 Strategic Case

2.1 Strategic Context

Dorset Council is developing a long-term programme to improve public and community transport across the county. We are currently at the Outline Business Case (OBC) stage. This stage is intended to make a clear case for change, examine a range of possible options, and identify a preferred approach that can be taken forward for more detailed development.

The OBC responds to Dorset's well-recognised challenges, including low bus service frequencies, limited weekend and evening provision, fragile community transport schemes, and a long-standing structural funding gap when compared with similar rural areas. These issues contribute to rural isolation, reduced access to employment and education, and greater dependency on private vehicles or specialist transport. A strategic shift is therefore needed to create a more reliable, inclusive and sustainable transport system for the county.

At this stage of the process, the council is exploring potential approaches for a transport system that strengthens public bus provision, improves integration between public and community transport, and introduces more flexible transport options to meet the needs of our rural communities. The OBC also considers how improved mainstream public and community transport may help reduce reliance on more expensive specialist adult and children's transport services, where appropriate, and promote greater independence for residents.

The OBC will be followed by a Full Business Case (FBC), which will provide detailed financial modelling, confirm the preferred option, outline procurement requirements and set out the final delivery plan. Endorsement of the strategic direction at this outline stage will allow the council to prepare for the necessary consultation, procurement activity and phased implementation aligned to the 2027/28 budget cycle.

2.2 How the Programme Supports Existing Policies and Strategies

This section sets out how the proposed programme aligns with, and supports the delivery of, local priorities and existing national and regional strategies. It demonstrates how the OBC builds on established priorities across transport, children's, adults' and community services, and how it contributes to wider objectives such as improving access, supporting independence and achieving financial and



environmental sustainability. This alignment provides a clear strategic foundation for the programme and helps ensure that the proposed approach is both consistent with policy direction and capable of delivering long-term benefits for Dorset.

2.2.1 Alignment with Dorset Council's Corporate Priorities

The programme directly supports Dorset Council's four strategic priorities:

Affordable housing

The programme supports the council's development of a new Local Plan, which seeks to deliver sustainable, well-connected housing growth across Dorset. As new housing is brought forward, there is a need to ensure that development is supported by transport systems that enable access to employment, education, health services and community infrastructure. A programme to transform public buses and community transport complements this by promoting accessible, place-based and lower-carbon travel options, helping to ensure that new and existing communities are not reliant on private car use. In doing so, it contributes to the delivery of more sustainable patterns of development, supporting the Local Plan's ambition to create inclusive, well-served and environmentally responsible communities.

Growing the economy

The programme supports the council's ambition to grow a sustainable and prosperous economy, as set out in both the Energising Dorset's Economy programme and the Economic Growth Strategy 2025–2040. These initiatives focus on attracting investment, creating high-value jobs and driving innovation, particularly in growth sectors such as clean energy and advanced manufacturing. Transport plays a critical enabling role by improving access to employment, skills and key economic sites, and by supporting the efficient movement of people and goods across the county. Reliable and accessible transport is widely recognised as essential for connecting people to economic opportunities and supporting productivity.

Communities for all

The programme supports this priority by strengthening local communities, reducing inequality and improving access to services. It also aligns with the council's Age Friendly Dorset initiative, which aims to create inclusive environments that enable people to remain active, independent and connected as they age. Together, these approaches recognise that access to reliable and flexible transport is a key enabler of community participation and wellbeing, particularly for older residents and those living in rural or more isolated areas.

The programme supports the council's shift towards community-centred public services. It does this by working closely with voluntary groups, operators, town and



parish councils, and residents to design services that reflect local needs and support local priorities. This approach recognises the essential role that volunteers and community transport providers play in serving rural areas and ensures that future planning strengthens these partnerships.

Responding to the climate and nature crisis

The programme supports the council's commitment to responding to the climate and nature crisis, as set out in the Council Plan and Natural Environment, Climate and Ecology Strategy. These strategies establish clear ambitions to reduce carbon emissions, protect and enhance the natural environment, and support the transition to a more sustainable, low-carbon economy. Transport is a key contributor to carbon emissions, and improving the way people travel is critical to achieving these objectives. Encouraging a shift from private car use to public and community transport reduces emissions, and improves air quality.

Collectively, these strategic alignments demonstrate that the programme is a key enabler of the council's vision to create stronger, more connected and sustainable communities across Dorset. By improving access, supporting independence, enabling economic growth and contributing to environmental objectives, the programme helps translate this vision into practical outcomes for residents and businesses. It ensures that transport is not considered in isolation, but as a central part of how the council delivers its wider ambitions, creating places where people can live, work and thrive now and in the future.

2.2.2 Alignment with National, Regional and Local Strategies

The programme is consistent with wider national, regional and local policy ambitions for improving public and community transport. This OBC sits within an established strategic framework that supports better access, reduced emissions and more inclusive mobility, while also responding to the changing nature of demand arising from reforms in Adult Social Care and Special Educational Needs and Disabilities (SEND).

At a national level, the programme aligns with Department for Transport policy, including Better Connected: A Strategy for Integrated Transport and the Government's Vision for Buses, which emphasise integrated, user-focused systems that improve accessibility, coordination and flexibility. These policies highlight the importance of bringing together different modes of transport, improving data and digital capability, and developing demand-responsive and locally tailored solutions.

The programme also aligns strongly with the statutory framework for Adult Social Care, particularly the Care Act 2014, which places a duty on local authorities to promote individual wellbeing, independence and prevention, including reducing social isolation and enabling access to services and community life. This is reinforced



through Care Act statutory guidance, which emphasises the importance of supporting people to remain active, connected and independent wherever possible. In this context, transport is recognised as a key enabler of Adult Social Care outcomes, rather than a standalone service. Local initiatives such as Age Friendly Dorset, highlight the importance of accessible, reliable and flexible transport in enabling older residents and vulnerable adults to remain active, independent and connected within their communities.

The programme also aligns with national policy direction for children and young people with SEND. The Department for Education's Schools White Paper and ongoing SEND and Alternative Provision reforms set out a clear shift toward a "local child, local school" principle. This approach seeks to ensure that more children and young people can have their needs met within local mainstream provision, supported by earlier intervention, strengthened inclusion and improved local services.

Over time, this direction of reform is expected to:

- reduce reliance on distant specialist placements;
- support increased access to education and support closer to home; and
- reduce the need for long-distance, high-cost and specialist transport provision.

While these changes will take time to fully materialise, they represent a fundamental shift in the system which directly affects transport demand, moving from a model characterised by long-distance, individual journeys toward one that is more localised and integrated within communities. This OBC reflects both the current pressures within the SEND transport system and the expected longer-term direction of travel.

The programme also aligns with emerging regional priorities, including the Western Gateway Strategic Transport Plan and associated Strategic Investment Plan, which emphasise the importance of improving connectivity across the South West and Western Gateway region to support economic growth, productivity and decarbonisation. These plans highlight the need for a more integrated transport system that better connects key economic centres, supports major investment opportunities and improves access to jobs and services across wider travel-to-work areas.

In addition, the programme is consistent with the direction of travel toward increased regional collaboration and the potential establishment of a new Wessex Combined Authority. A more integrated, system-based approach to transport provision will support future alignment of funding, planning and delivery at a broader geographical scale. By improving coordination across services and enabling more efficient use of resources, the programme helps position Dorset to respond positively to regional governance changes and maximise the opportunities for investment and collaboration that these arrangements are intended to unlock.



At a local level, the programme is closely aligned with the new Local Transport Plan (LTP) 2026–2041, which provides the long-term statutory framework for transport across Dorset. The LTP sets out a clear vision for a transport system that is safe, sustainable, inclusive and resilient, and explicitly seeks to support economic growth, improve health and wellbeing, and contribute to climate and environmental objectives. It represents a shift toward a vision-led, place-based approach, moving away from traditional demand-led planning and instead shaping a future system that offers genuine travel choice, reduces reliance on private car use and enables more sustainable patterns of development and movement.

The programme aligns closely with the Bus Service Improvement Plan (BSIP), which sets the long-term vision for a better connected, easier-to-use and more reliable bus network. The BSIP priorities include improving coverage, reliability, integration between modes, simpler fares, and higher vehicle standards. The transport programme will contribute directly to these aims by strengthening the bus network, exploring flexible transport models and supporting community-based solutions.

The programme also complements ongoing work under the Enhanced Partnership with operators, supporting shared approaches to network planning, timetables and improvements to customer experience.

The programme also aligns with the council's ongoing parking review. There is a close relationship between parking provision and transport network performance, particularly in terms of managing demand, reducing congestion, improving air quality and supporting access to local centres. This OBC complements this work by improving the availability of alternative travel options, helping to support more balanced demand across both the transport network and parking estate.

More broadly, the programme brings together transport, Adult Social Care and SEND policy directions into a single, coherent response. By aligning transport provision with prevention, independence, localisation and inclusion, it supports a shift away from fragmented, service-specific provision toward a more integrated, flexible and sustainable system.

Further detail on National, Regional and Local priorities can be found in Appendix A.

2.3 The Case for Change

Dorset's current public bus and community transport offer is no longer able to meet the needs of a modern rural county. Services are constrained by long-standing structural challenges, including low frequencies on many routes, limited weekend and evening provision, and significant gaps in coverage across rural areas. These limitations affect residents' ability to travel independently, reach essential services, and take part in employment, education and community life. This also places pressure on specialist and supported transport services, which must fill gaps where



mainstream public transport is not available or reliable. As a result, there is growing reliance on more bespoke provision, including home to school transport for children with special educational needs and disabilities (SEND) and transport for Adult Social Care and day opportunities, which places additional strain on the overall system.

The county's rural geography and dispersed settlements mean that providing transport is inherently resource-intensive. At the same time, Dorset receives lower levels of transport funding than comparable rural authorities, limiting the ability to maintain or grow the network. This funding imbalance affects both public and community transport and contributes to long-term fragility within the system. Many community transport schemes operate with small budgets and rely heavily on volunteers, leaving them vulnerable to rising costs and inconsistent capacity. These structural issues also make it more difficult to respond effectively to increasing demand for specialist transport, which is often delivered through high-cost, individually commissioned services.

These pressures reduce social and economic opportunities for residents and risk widening inequalities, particularly for those without access to a car. They also make it difficult for the council to achieve wider ambitions around community resilience, sustainable travel and climate action. Without intervention, the network is likely to become increasingly fragile, with reduced patronage and fewer opportunities to integrate services or improve value for money. At the same time, continued growth in demand for specialist transport will further increase costs and limit the ability to reinvest in more flexible and accessible alternatives.

The Case for Change therefore focuses on establishing a transport system that is reliable, inclusive and financially sustainable. It identifies the need to strengthen the bus network, provide better links for rural communities, support and stabilise community transport, and explore flexible solutions where fixed routes cannot operate effectively. Alongside this, there is a need to take a more proactive approach to managing demand, ensuring that specialist transport is targeted where it is most needed, while enabling greater independence and supporting increased use of shared, community and mainstream transport options where appropriate. Addressing these challenges now will allow Dorset to move toward a coherent, long-term model of mobility that better supports residents, businesses and local places.

This OBC sets out the evidence for change and provides a structured assessment of potential options. The next section outlines the objectives that will guide the preferred approach and shape the future of Dorset's public and community transport network.

2.3.1 Objectives



The objectives of this programme describe the specific outcomes the council intends to achieve through transforming public buses and community transport. They reflect the issues identified in the Case for Change and provide a structured basis for option development. While they stand independently, each objective contributes directly to one or more of Dorset Council's four strategic priorities.

Objective 1: Create a more frequent and better-connected transport network

Desired outcome: A transport system that residents can depend on, with improved service frequencies, fewer gaps in rural coverage and stronger links between public, community and flexible services. More dependable services will reduce missed medical appointments, support daily life and help ensure that more residents can reach essential services without relying on a car.

Supports Council priorities: Growing the economy; Communities for all; Climate and nature.

Objective 2: Improve access to key services, employment, education and essential destinations

Desired outcome: Residents across Dorset, including those in rural and isolated areas, have improved, affordable access to jobs, education, healthcare, shopping and leisure. This will support local economic activity, reduce inequalities in access and help young people and working-age residents participate fully in Dorset's economic and community life.

Supports Council priorities: Growing the economy; Affordable housing; Communities for all.

Objective 3: Reduce social isolation and increase independence for residents of all ages

Desired outcome: A more inclusive transport system that enables older residents, disabled people, vulnerable people, young people and those without a car to travel independently with confidence. This includes strengthening community transport, improving mainstream services where appropriate, and ensuring that residents can access community life, social opportunities and support networks.

Supports Council priorities: Communities for all; Health and wellbeing.

Objective 4: Build a financially sustainable and resilient transport model

Desired outcome: A long-term, affordable transport system that reflects the realities of a rural county with dispersed settlements. This includes reducing reliance on specialist services where mainstream options are suitable, making better use of



resources and ensuring that the council can sustain improvements despite historic funding inequalities.

Supports Council priorities: Value for money; Growing the economy; Communities for all.

Objective 5: Support thriving, well-connected communities and local economies

Desired outcome: Better transport connections that strengthen town centres, support local businesses, encourage tourism and help residents engage in community life. Improved connectivity will make Dorset's local areas more resilient and attractive places to live, work and visit.

Supports Council priorities: Growing the economy; Communities for all.

Objective 6: Encourage the shift to sustainable, low-carbon travel

Desired outcome: More people choosing public or community transport instead of private cars, contributing to reduced carbon emissions and improved air quality. This objective supports Dorset's climate commitments and prepares the network for future moves toward cleaner vehicle technologies.

Supports Council priorities: Climate and nature; Sustainable development.

2.4 Existing arrangements (Business as Usual Scenario)

This section sets out the current transport arrangements in Dorset. It establishes the Business as Usual (BAU) scenario against which future options will be assessed. It describes how services are currently delivered, funded and used, and highlights structural issues that any proposed model must take into account. This provides the baseline for evaluating future improvements at Outline and Full Business Case stages.

2.4.1 Current Public Transport Network

Scale and Structure of the Network

Dorset's bus network is made up of a combination of commercial services, and a network of council-supported core inter-urban routes designed to connect key towns and rural communities, known as the Core Route network.

DfT [bus statistics](#) show that in 2024/25, bus services operated 5.57 million kilometres, of which 82% were operated commercially and 22% were supported by the council. The council plays a significant role as the Local Transport Authority by



supporting socially necessary services that are not commercially viable, particularly in rural areas. In 2024/25, Dorset Council supported 990,000 kilometres of bus mileage, providing essential connections in areas with low population density and limited travel choices.

The public bus network has shrunk 22% since 2019/20, a reduction of 1.91 million kilometres. This has been driven by a significant 29% reduction in commercial bus routes. In contrast the local authority supported network is growing, now 43% larger when compared to 2019/20, reflecting a growing need for the council to step in and ensure socially necessary services are maintained.

Core Route Network

The council has increased its influence over the Core Route (CR) network, which forms the backbone of Dorset's inter-urban bus system. These routes link major towns and market centres such as Weymouth, Dorchester, Blandford, Bridport, Lyme Regis, Sherborne, Sturminster Newton, Shaftesbury and Gillingham.

However, many CR routes currently operate at two-hourly frequencies, and several lack weekend or evening services. Only a limited number run on Saturdays, and there are no Sunday services on any CR routes. These structural limitations reduce convenience and limit use, particularly for shift workers, young people and those relying on public transport for essential weekend activities.

The council's increased control over the CR network is beginning to show clear benefits, with performance data indicating stronger and more resilient use across key inter-urban corridors. Patronage is growing steadily, demonstrating that a planned and strategic approach to timetable specification and service standards is helping to stabilise and strengthen delivery across the network.

Recent service enhancements, including the introduction of Saturday services on CR2, CR3 and CR6, have contributed to this improvement. These routes now demonstrate consistently higher weekly passenger numbers than before the service uplift. For example, CR2 frequently records 1,000–1,400 passengers per week, while CR6 has shown sustained patronage growth following its move to a six-day timetable. These trends indicate that a fuller service offer better meets the needs of residents who rely on these routes for work, shopping and essential travel.

Concessionary trips form a substantial share of total usage across all routes. This reflects the essential role these routes play for older people and those without regular access to a private vehicle. The consistently high level of concessionary use illustrates both the social importance of the CR network and the reliance of rural communities on accessible, predictable transport links.

The performance evidence indicates that the council's enhanced stewardship of the Core Route network is starting to deliver positive outcomes. As services become



more consistent and predictable, particularly with the extension to full Saturday operation, passenger numbers have increased, patterns of use have become more stable, and reliance among concessionary users remains strong.

These early improvements provide a clear case for further investment. Future enhancements to frequency, integration and reliability on the CR network are likely to expand the customer base, improve accessibility for those without cars, and maintain the resilience of the network throughout the year. The data demonstrates that where improvements have been introduced, residents respond positively, and usage increases. Building on this momentum will support the council's wider goals around inclusive access, local connectivity and long-term network sustainability.

Core Route passenger surveys undertaken in spring 2025 highlight the significant level of dependency on supported transport services within Dorset. Between 51% and 60% of core route passengers report having no access to a car, and 33–37% state they could not make their journey without the bus. This demonstrates the critical role that public transport plays in enabling access to employment, education, healthcare and day-to-day activities, particularly for those who are most transport-dependent.

Feedback from the Local Transport Plan consultation reinforces this finding, identifying public transport—especially bus services—as the number one issue for residents. Respondents consistently highlighted concerns around frequency, reliability and coverage, particularly in rural areas, and the impact this has on their ability to travel independently. Together, this evidence shows that the current network is both highly valued and heavily relied upon, but is not meeting existing or future needs. It also underscores the importance of strengthening the public transport offer as a core component of any future system, reducing reliance on more costly specialist provision while improving access and outcomes for residents across Dorset.

Passenger Use and Trends

The DfT's [Bus Statistics](#) show that across Dorset 6.1 million passenger journeys were made in 2024/25. This remains 20% below pre-pandemic levels.

Concessionary passengers make up 37% of all journeys, among the highest proportions in the South West. Concessionary journeys have been slow to recover post pandemic, with a million fewer journeys made in 2024/25 compared with 2019/20.

Network Performance and Reliability

Bus punctuality remains below targets set by Government. In 2024/25, 79% of scheduled departures were recorded as on time, compared with a target of 95%. While this marks improvement over pre-pandemic performance, reliability challenges



remain, particularly in peak seasons and coastal corridors with congestion pressures.

Commercial Bus Operators and the Enhanced Partnership

Dorset Council works with bus operators through a formal Enhanced Partnership, which provides a framework for joint planning, timetable coordination, network stability and alignment with BSIP priorities. Operators deliver most of the bus mileage in the county and continue to face pressures from rising costs, and low commercial viability in rural areas. The council's partnership model supports coordinated improvements but is constrained by available funding and limited levers in areas with low patronage.

In parallel with the Enhanced Partnership, the council has begun early work to understand whether alternative delivery models could better address the structural challenges facing the network. The council has submitted an Expression of Interest to the Department for Transport's Franchising Support Fund to undertake a franchising pre-assessment study, which would provide a robust evidence base comparing franchising, hybrid models and the best realistically achievable Enhanced Partnership scenario. This work is explicitly exploratory and does not represent a decision to pursue franchising; rather, it will assess the potential to improve outcomes including rural accessibility, network stability, integration with community transport, and long-term financial sustainability. The study will be undertaken collaboratively with operators and partners, ensuring that the Enhanced Partnership remains the primary delivery mechanism during this phase while enabling informed future decision-making.

Fleet and Vehicle Standards

Dorset's bus fleet has an average age of 9.4 years. There are currently no zero-emission buses operating on the network. Fleet renewal continues to be constrained by operator finances, the high upfront cost of vehicles, and the challenges associated with operating in a rural, low-density environment.

Investment in new vehicles, particularly zero-emission buses, and associated technology requires significant capital outlay and long payback periods. Providing longer-term contract certainty and stable service pipelines will be critical to de-risking these investments, enabling operators to commit to newer, cleaner vehicles and to invest in supporting infrastructure and workforce capability.

The council is beginning to address these challenges through targeted capital investment using its Local Authority Bus Grant (LABG) allocation. The current 2026/27 Delivery Plan includes a major project to electrify the Swanage bus fleet, combining investment in charging infrastructure with the introduction of zero-emission buses. This represents an important first step in developing a scalable model for fleet decarbonisation in Dorset, demonstrating how targeted



capital funding can accelerate transition where supported by appropriate infrastructure and operational planning.

Looking ahead, a coordinated approach will be required to deliver a sustained transition toward a lower-emission fleet. Without this alignment, progress toward zero-emission vehicles is likely to remain limited and uneven across the network.

2.4.2 Community Transport

Community Transport (CT) is a vital lifeline for rural residents, including older people, disabled residents and vulnerable adults, and those without access to a private car. Dorset has more than 75 community transport schemes, including dial-a-ride, community minibuses and volunteer car services. These provide flexible, accessible travel for essential trips such as shopping, medical and social appointments.

Dorset Community Transport (DCT), delivered by ECT Charity, plays a central role in community transport provision across Dorset, combining local delivery with the scale and capability of a national operator. Operating across Dorset, including demand-responsive transport, group travel, education transport and supported bus services, DCT provides essential access for people in rural areas where mainstream services are limited or unavailable. This transport often acts as a lifeline for individuals who would otherwise rely on taxis or be unable to travel at all.

The impact of DCT's services extends beyond transport provision, generating significant social value and supporting wider council outcomes. ECT Charity's Social Value assessment identifies over £1.25 million in annual social value, with strong evidence of improved independence, reduced loneliness and better access to essential services. User feedback shows that 85% of passengers report increased independence and 90% improved access to local facilities, demonstrating the role of community transport as a preventative intervention that supports health, wellbeing and reduced reliance on statutory services.

Despite these strengths, there is a clear opportunity to build on DCT's existing role by positioning it as a strategic delivery partner within an integrated transport model. This could include expanding demand-responsive provision, improving first- and last-mile connections to the Core Route Network, and supporting cross-sector transport needs including Adult Social Care and SEND. With established operational capability and a strong evidence base, DCT is well placed to move from a key provider to a central component of a more coordinated, resilient and scalable community transport network in Dorset.

CT provision in Dorset is highly fragile, relying heavily on volunteers and inconsistent funding. Budget comparisons show the council's CT support is significantly lower than neighbouring rural authorities, contributing to gaps in provision and ongoing risks to sustainability. For example, the ATCO Survey 2024 Report highlighted that



Dorset spent £5,813 on CT from its core budget in 2023/24, compared with £426k in Devon, £974k in Somerset and £122k in Wiltshire. Council CT funding has increased in the last two years, with £60k in grants issued in 2025/26.

CT services are well-used but inconsistently integrated with the wider network, and there is no digital booking or shared platform in place. This limits their visibility, coordination and ability to scale.

2.4.3 Home to School Transport

Home to School Transport (HtS), particularly for children and young people with Special Educational Needs and Disabilities (SEND), represents a significant and growing pressure within Dorset's current transport system. Demand for transport support has increased in recent years, driven by rising numbers of Education, Health and Care Plans (EHCPs), greater reliance on specialist provision, and increasing travel distances between home and education settings. These factors are contributing to a steady increase in cost and complexity within the existing system.

The current HtS model is characterised by a high reliance on bespoke, council-commissioned transport, including taxis and specialist vehicles. A substantial proportion of journeys, particularly within SEND, are delivered on a single-occupancy basis, often over long distances to access suitable provision. This reflects both the complexity of need and the limited availability of viable alternatives within the wider transport network. In many cases, pupils cannot reasonably be accommodated on existing public or shared transport services due to a combination of journey times, service availability, and individual support requirements.

Dorset's rural geography further intensifies these pressures. The decline in commercial bus services and limited coverage of the current network mean that mainstream transport is not consistently available as an alternative. As a result, the council is required to provide dedicated transport for a growing number of pupils who might, in a more connected system, be able to travel via shared or mainstream modes. This creates a structural dependency on high-cost provision and limits opportunities to optimise routes or increase vehicle utilisation.

The system is also shaped by fragmentation between transport, education and SEND planning processes. Placement decisions are sometimes made independently of transport considerations, leading to longer journeys and reduced opportunities to coordinate travel across cohorts. While route planning and procurement processes are in place, national evidence indicates that local authorities have already implemented many of the traditional efficiency measures, such as route optimisation and contract management, with limited scope for further savings under the current model.



Costs per pupil within SEND transport are significantly higher than mainstream school transport, reflecting the bespoke nature of provision. National benchmarking highlights that these costs can be substantial, particularly where single-occupancy or long-distance journeys are required. Demand continues to grow, and there is limited evidence that pressures will reduce in the short term, given wider SEND system dynamics and the time required for national reforms to take effect.

Overall, the current HtS system within Dorset is highly effective in meeting statutory duties, ensuring that eligible children and young people can access education safely. However, it is also resource-intensive, increasingly complex, and heavily dependent on bespoke provision, with limited integration into the wider public and community transport network. These characteristics form a key component of the Business as Usual baseline and highlight the scale of the challenge in delivering a more sustainable, integrated transport system for the future.

2.4.4 Adult Social Care Transport

Adult Social Care (ASC) transport in Dorset operates as a specialist system designed to support access to day opportunities. The current model is built around a combination of council-owned fleet, commissioned taxi provision and limited community transport, with services predominantly delivered as dedicated, home-to-provision transport rather than as part of an integrated transport network.

The core of the system is a fleet of council-operated buses transporting individuals to and from day services. These vehicles require D1-licensed drivers and are legally restricted to specific contracted journeys, which prevents flexible use for wider community access or cross-service deployment. As a result, vehicles are typically used for peak movements only and remain under-utilised for the remainder of the day. This creates a structurally inflexible model, limiting the ability to support more personalised, locality-based or community-anchored approaches to care.

Alongside the in-house fleet, the system relies heavily on taxi and private hire provision, particularly for individuals with complex needs or where shared transport is not feasible. However, this market is increasingly constrained, with limited wheelchair-accessible capacity, rising costs and competition for vehicles (particularly from school transport) reducing availability and increasing financial pressure.

Key Characteristics of the current model include:

- **High reliance on specialist and bespoke transport** - Journeys are predominantly delivered through dedicated services rather than shared or mainstream options, reflecting both user need and a lack of viable alternatives in the wider transport system.
- **Limited flexibility due to fleet and regulatory constraints** - The current fleet is dominated by larger vehicles that are restricted in how they can be used,



preventing integration across services and limiting responsiveness to changing patterns of demand.

- **Significant rural accessibility challenges** - Availability, affordability and accessibility barriers, particularly in rural areas, mean many users cannot access services without dedicated transport, reinforcing reliance on the ASC system for even routine journeys.
- **Workforce and operational pressures** - The system depends heavily on D1-qualified drivers, with recruitment, retention and shift patterns presenting ongoing challenges. Limited availability of passenger assistants further introduces safety and lone-working risks, particularly for individuals with higher support needs.
- **High operating costs and inefficient asset utilisation** - The current model is resource-intensive, with high costs associated with fleet ownership, maintenance, insurance and fuel.
- **Limited integration with community and voluntary sector provision** - While there is evidence of latent capacity and willingness among VCSE organisations to expand transport provision, this is currently fragmented and under-coordinated, limiting its role in supporting ASC transport needs.

Importantly, evidence shows that transport is a fundamental enabler of Adult Social Care transformation. Without more accessible, flexible and integrated transport options, individuals are unable to access the wider range of community-based services and activities envisaged within the emerging Day Opportunities model.

An aligned and strategically coordinated transport offer across Dorset will deliver both financial efficiencies and improved outcomes within Adult Social Care. By optimising transport provision, the council can reduce duplication, maximise vehicle utilisation, and achieve cost savings that can be reinvested into services. At the same time, improved transport accessibility will enable individuals to attend day opportunities, community activities, and support services more flexibly, supporting independence and wellbeing. Crucially, a more integrated transport model will also strengthen the council's ability to place individuals requiring residential care within Dorset on framework arrangements, rather than out-of-county. By facilitating reliable transport links for next of kin, carers, and family members to visit care home placements locally, this approach promotes stronger support networks and reduces reliance on higher-cost external placements. Collectively, this creates a more sustainable, person-centred system that delivers better value while improving quality of life for Dorset residents.

There are clear opportunities to move toward a more integrated and efficient system. These include:



- Improved utilisation of fleet and assets across services, enabling vehicles to be used throughout the day and across ASC, SEND, community transport and flexible services rather than in isolated peaks;
- Transition toward a more versatile fleet of vehicles, reducing costs, easing workforce constraints and enabling more flexible, multi-purpose use;
- Stronger integration with community and voluntary transport providers, where there is clear appetite to expand provision if supported;
- Development of shared and collaborative transport models, including taxi-share, volunteer car schemes and multi-use fleets;
- Alignment with locality-based and hub-and-spoke service models, supporting access to a wider range of community activities; and
- Closer integration with mainstream and flexible transport networks, reducing reliance on bespoke provision where appropriate and supporting greater independence.

Overall, the evidence demonstrates that while the current ASC transport model provides a necessary and reliable baseline, it is financially costly, operationally inflexible and insufficiently integrated to support future service transformation. Without change, pressures on specialist transport provision are likely to increase, reinforcing the need for a more coordinated, flexible and system-wide approach to transport delivery in Dorset.

2.4.5 Dorset Travel's Internal Fleet

Dorset Travel operates a mixed delivery model combining externally contracted provision with an in-house fleet that plays a targeted role in service delivery. The current fleet comprises 83 vehicles, including 62 minibuses, 16 cars and 5 vans, with minibuses forming the core of operational capacity for both SEND and Adult Social Care transport.

The fleet supports a range of essential services, including home to school transport for learners with SEND, adult day centre transport, limited mainstream provision and dial-a-bus services. Vehicles are allocated dynamically based on service demand rather than being fixed to individuals, with many drivers taking vehicles home overnight to enable efficient route starts across a dispersed and rural geography. This operating model is critical in ensuring coverage across the county but introduces constraints in terms of flexibility, fleet utilisation and future service redesign.

Fleet usage is heavily concentrated around peak periods, particularly morning and afternoon journeys associated with school and day centre transport. As a result, vehicles are largely committed during these times, with only limited availability during the middle of the day. In practice, this available time is required for essential



activities including cleaning, maintenance, compliance checks and repositioning of vehicles for subsequent routes. This limits opportunities to increase utilisation without impacting reliability or requiring additional resource. The fleet is also required to operate with a relatively high level of spare capacity, with 19 vehicles held in reserve to ensure continuity of service in the context of high mileage and frequent maintenance requirements.

The workforce model further shapes fleet operation. Drivers are generally employed on flexible arrangements linked to specific routes and service times, rather than standard full-time contracts. This reflects the peak nature of demand but constrains the ability to extend services or introduce additional journeys without increasing staffing costs. Driver licensing arrangements also introduce operational limitations. While some drivers operate smaller vehicles under standard car licences, larger vehicles such as 16-seat minibuses require drivers to hold D1 or equivalent licences. This creates a dependency between vehicle allocation and driver availability, limiting flexibility and constraining the ability to scale up more efficient vehicle types. Expanding services or increasing utilisation would therefore require additional recruitment, training and licensing, with associated cost implications.

The fleet itself is under increasing pressure from a combination of high weekly mileage and an ageing vehicle base, leading to reliability issues and increased maintenance demand. A replacement programme is in place, including the introduction of more flexible vehicle types and a transition toward HVO fuel for emissions reduction. However, this is funded on a like-for-like basis and does not provide capacity for wider fleet transformation. A transition toward electric vehicles, presents significant challenges under the current model. The reliance on drivers taking vehicles home, long rural routes and limited charging infrastructure create operational and financial barriers to adoption, with no additional funding currently available to support transition.

Overall, the Business-as-Usual position is characterised by a fleet that is essential to delivering high-need services but operates within tight operational, workforce and financial constraints. While the fleet provides resilience and targeted capability, it is not currently configured or resourced to deliver significant improvements in efficiency, integration or capacity without broader changes to service design, demand patterns and investment.

2.4.6 Funding and Current Transport Expenditure

Dorset receives one of the lowest levels of Government bus grant funding in the South West, significantly lower than neighbouring rural authorities such as Somerset, Devon and Wiltshire. Dorset's allocation for 2025/26 was £3.42 million, compared to £10.47 million for Devon and £6.4 million for Somerset. The Local Authority Bus Grant has been confirmed for 2026/27 to 2029/30 and reinforces this funding gap.



The structural funding disadvantage highlighted in table 2.1 has a direct impact on the scale and reliability of public transport services.

Table 2.1 – Local Authority Bus Grant Allocations 2026/27 to 2029/30

Authority	2026/27	2027/28	2028/29	2029/30	Total
BCP Council	£5,639,948	£5,700,628	£5,761,307	£3,200,860	£20,302,743
Cornwall	£10,006,522	£10,071,332	£10,136,143	£3,418,756	£33,632,753
Devon and Torbay	£14,179,760	£14,292,588	£14,405,415	£5,951,665	£48,829,428
Dorset	£3,972,903	£4,007,304	£4,041,704	£1,814,608	£13,836,519
Gloucestershire	£8,219,147	£8,287,468	£8,355,789	£3,603,947	£28,466,351
North Somerset	£4,337,550	£4,363,801	£4,390,053	£1,384,771	£14,476,175
Plymouth City	£4,641,228	£4,699,356	£4,757,483	£3,066,231	£17,164,298
Somerset	£7,196,198	£7,252,745	£7,309,292	£2,982,878	£24,741,113
Swindon	£2,780,397	£2,814,699	£2,849,001	£1,809,438	£10,253,535
Wiltshire	£6,314,363	£6,356,661	£6,398,959	£2,231,217	£21,301,200

The council currently spends a significant proportion of its budget on transport services, with a total Dorset Travel budget of £39.6m in 2024/25. A large share of this funding is directed toward home to school transport, particularly for children with special educational needs and disabilities (SEND), where costs have increased considerably in recent years due to rising demand, more complex needs and higher contract prices. While growth in 2024/25 was lower than in previous years, ongoing demand continues to place pressure on the system.

At the same time, expenditure on mainstream school transport and supported public transport services remains significant, reflecting both rising costs and continued reliance on these services. Overall, the current spending profile shows that a substantial proportion of funding is committed to specialist and statutory provision. This limits the scope to invest in more integrated and shared solutions, reinforcing the need to improve efficiency and better manage demand while maintaining support for those with the highest needs.

The current BAU funding position limits the council's ability to increase frequencies, expand weekend services, invest in infrastructure or develop alternative transport models without targeted investment and reduced spend on specialist transport services.

2.4.7 Business as Usual (BAU) Summary



Across Dorset, the existing transport system is highly fragmented, increasingly costly, and structurally constrained, with different elements, commercial bus services, supported routes, community transport, Home to School Transport and Adult Social Care transport, largely operating in isolation. While each component plays a critical role in meeting statutory duties and supporting access to services, the overall system lacks integration, flexibility and resilience. This results in a model that is heavily reliant on bespoke, service-specific transport solutions, particularly in rural areas where mainstream provision is limited or unavailable.

The evidence shows a consistent pattern across all parts of the system: limited commercial viability, declining or insufficient rural connectivity, and growing dependence on publicly funded transport provision. This is compounded by a reliance on specialist vehicles, constrained operator and workforce markets, and funding models that do not provide long-term certainty. As a result, public funding is increasingly being used to maintain essential access rather than to improve or transform the network, while demand for high-cost services, particularly SEND and Adult Social Care transport, continues to rise.

Crucially, the current system does not operate as a coherent network. Assets are under-utilised, services are not coordinated across user groups, and opportunities for shared or mainstream travel are often unrealised. This limits the ability to support independence, increases reliance on door-to-door provision, and constrains the delivery of wider council objectives, including health, inclusion, economic participation and carbon reduction.

In summary, while the Business as Usual model is effective in meeting immediate needs and statutory obligations, it is a system under increasing pressure, operationally inefficient and insufficiently integrated to respond to future demand or support service transformation. Without a shift toward a more coordinated, flexible and system-wide approach, Dorset will remain locked into a cost-intensive model that reinforces dependency, limits accessibility, and places increasing pressure on council budgets.

2.5 Current and Future Needs

This section describes the service needs that must be addressed in order to deliver the programme objectives. It highlights the key “service gaps” in the current Business as Usual (BAU) model and explains how these gaps will shape the design and assessment of future transport models. The needs identified here reflect both current shortcomings and the anticipated future pressures facing Dorset’s transport system.

2.5.1 Current Needs



1. Need for more frequent and reliable services

Across Dorset, public bus services often operate at low frequencies, with many core routes running only every two hours, and several with no weekend or evening provision. This restricts residents' ability to plan regular travel and reduces trust in the network. Reliability also remains below target, with only 78% of departures on time, against a target of 95%.

Service gap: Insufficient service frequency and punctuality, particularly on inter-urban and rural routes.

Driver for change: Establishing a transport system that residents can depend on for daily travel.

2. Need for improved rural connectivity

Large parts of rural Dorset have no viable alternative to the private car, and two-thirds of rural residents live in areas with minimal or no bus provision. Connectivity gaps prevent many residents accessing education, employment and essential services.

Service gap: Limited coverage and poor connections between rural settlements and main centres.

Driver for change: Ensuring all communities have meaningful access to essential services through improved fixed, flexible or supported transport.

3. Need for sustainable and resilient community transport

Community Transport (CT) provides essential lifeline services for older and disabled residents, but provision is fragile, reliant on volunteers and inconsistently funded. Dorset's CT spending is far lower than neighbouring rural councils, leaving services vulnerable.

Service gap: Inconsistent availability of CT services and lack of resilience in volunteer-dependent models.

Driver for change: Strengthening CT to ensure it can reliably fill gaps where commercial and supported bus services are not viable.

4. Need for integrated, accessible and user-friendly services

The current system lacks the integration needed to support seamless travel. Timetables are not consistently coordinated, real-time information varies across operators, and there is no unified planning or booking platform linking public, community and flexible services. Residents report difficulty accessing journey information or switching between modes.

Improved alignment of transport will enhance access to day opportunities and community activities, enabling people to participate more flexibly and maintain independence and wellbeing. At the same time, it will support a stronger focus on in-



county residential placements by making it easier for family members, carers, and next of kin to visit those in care homes within Dorset. This will help reduce reliance on higher-cost out-of-county placements while maintaining vital personal connections for individuals receiving care.

Service gap: Fragmented transport offer with limited integration.

Driver for change: Creating a coherent network that is easy to use, plan and understand.

5. Need to support independence and reduce isolation

High levels of concessionary use, ageing demographics and limited car access indicate a strong need for accessible mainstream transport. A significant proportion of passengers state they could not travel without the bus, and many rural areas are “transport deserts,” increasing risk of social isolation.

Service gap: Inadequate support for residents who depend on public or community transport for independence.

Driver for change: Delivering inclusive, age-friendly and accessible transport options.

6. Need for a financially sustainable model

Dorset receives significantly lower bus grant funding than similar authorities and has limited capacity to increase investment under BAU. Rising contract prices, ageing fleets, and demographic pressures further affect sustainability. Current arrangements rely heavily on council-subsidised services that may not be viable long term.

Service gap: Financial model dependent on low grant funding and fragile service arrangements.

Driver for change: Developing a long-term funding and delivery model appropriate for a dispersed rural county.

2.5.2 Future Needs (Emerging and Anticipated)

1. Growing demand linked to demographic change

Dorset has one of the oldest populations in England. As the number of older residents continues to increase, demand for accessible and flexible transport will rise, placing further pressure on both mainstream and specialist services.

Future need: A transport system that can support increasing levels of age-related and mobility-related travel needs.

2. Need for decarbonisation and cleaner transport



As Dorset progresses towards climate commitments, there will be increased need for investment in cleaner fleets, charging or refuelling infrastructure and modal shift initiatives. Dorset currently has no zero-emission buses, meaning future systems must consider pathways to a lower-carbon network.

Future need: A plan for transitioning to low-carbon fleet and infrastructure as part of wider climate goals.

3. Increased expectation for flexible, digitally-enabled services

Passenger expectations, particularly amongst younger generations, are shifting toward on-demand, real-time and digitally supported mobility. Dorset currently has no Demand Responsive Transport (DRT) scheme and limited digital integration across modes.

Future need: More flexible options supported by accessible digital tools that complement conventional public transport.

4. Future pressures on specialist transport (Home to School & Adult Social Care)

Demand for specialist services is expected to rise due to demographic and legislative trends. Without improvements to mainstream transport, specialist services will face increasing costs and higher dependency.

Future need: Clearer links between mainstream transport changes and opportunities to reduce pressure on specialist services.

2.5.3 Key Service Gaps Driving Future Model Development

These gaps define the critical drivers against which future models will be tested:

- Insufficient frequency and reliability on core and rural routes
- Limited evening and weekend provision
- Large rural coverage gaps, creating dependency on cars and specialist transport
- Fragile community transport unable to meet growing demand
- Lack of integration between public, community and flexible transport
- Inadequate support for independent, inclusive travel
- Growing pressures on the current funding model given Dorset's low grant allocation
- Fleet not aligned with future decarbonisation requirements
- Limited digital capability across the transport system
- Growing pressure on specialist transport due to unmet mainstream needs

These service gaps form the baseline criteria for assessing future models during the FBC stage.



2.6 Potential scope and service requirements

This section defines the potential scope of the programme and the service requirements needed to deliver a future transport system that is integrated, sustainable and aligned to changing service models.

These requirements:

- define the scope of potential interventions to be considered;
- provide a framework for developing and assessing options in the Economic Case; and
- ensure consistency between the long list, short list and Preferred Way Forward.

The future transport system is expected to operate as a coherent, integrated ecosystem, capable of meeting a wider range of needs across:

- education (including SEND);
- Adult Social Care and day opportunities;
- access to healthcare, employment and community life; and
- rural and low-density areas where traditional provision is limited.

To support this, the scope must allow for consideration of:

- policy reform,
- service redesign,
- market development, and
- system integration.

2.6.1 Service Requirements Framework

Table 2.2 translates the evidence presented in the Strategic Case into a clear set of requirements, distinguishing between core (essential) elements and desirable enhancements. These requirements provide the framework for developing and assessing options, ensuring that future proposals are focused on delivering a transport system that is accessible, integrated and financially sustainable.

Table 2.2 Service Requirements Framework

Requirement Category	Core (Essential) Requirements	Desirable (Enhancement) Requirements
Access to Services	Provide reliable access to education, health, employment and community services across urban and rural areas. Enable inclusive access for a wide range of user needs.	Improve local connectivity and alignment with community-based services and hub-and-spoke models. Enhance access to a wider



Requirement Category	Core (Essential) Requirements	Desirable (Enhancement) Requirements
		range of social and economic opportunities.
Financial Sustainability and Value for Money	Deliver within a sustainable financial envelope. Reduce reliance on high-cost bespoke transport. Improve utilisation of existing resources.	Strengthen long-term affordability through innovative funding and delivery models. Enable reinvestment and efficiency gains through system optimisation.
Integration	Enable coordination across SEND, ASC, community and public transport. Support shared journeys and reduce duplication. Move toward a single integrated system.	Introduce enhanced coordination mechanisms (e.g. digital platforms, shared booking). Improve visibility of demand, capacity and performance across the system.
Flexibility and Responsiveness	Support a mix of regular and demand-responsive journeys. Respond to dispersed and variable demand, particularly in rural areas.	Enable more dynamic service models (e.g. flexible routing, hybrid provision). Improve responsiveness to real-time demand and service change.
User Outcomes and Independence	Enable individuals to travel as independently as possible through travel training and personalised support. Support access to a range of activities while maintaining specialist provision where required.	—
Localisation and Community Alignment	—	Align with locality-based service delivery and community-led solutions. Enable place-based transport planning reflecting local needs.
Market Development	—	Support development of a diverse provider market, including VCSE organisations, micro-providers and social enterprises. Enable innovation in delivery models.



Requirement Category	Core (Essential) Requirements	Desirable (Enhancement) Requirements
Digital Enablement	—	Introduce digital tools for journey planning, scheduling, booking and data sharing. Improve system coordination and user information.
Environmental Sustainability	—	Support transition to lower-emission vehicles and reduced mileage. Contribute to wider carbon reduction objectives.
Workforce Sustainability	—	Improve resilience, recruitment and retention across providers and volunteers.

This section establishes a clear, outcome-focused framework for shaping the future transport system. It defines what the system must deliver, and what good looks like across different dimensions.

This provides a robust foundation for:

- developing a long list of options, and
- identifying a Preferred Way Forward that is aligned with the council's strategic objectives and future service needs.

2.7 Main benefits

This section sets out the main benefits associated with achieving the programme's objectives. These benefits represent the positive changes experienced by individuals, communities, the council or the wider economy when the programme delivers its intended outputs and outcomes.

Outcomes describe what the programme achieves (e.g., improved access, reduced isolation). Benefits describe the measurable or observable advantages that arise from those outcomes (e.g., increased employment participation, reduced costs, improved wellbeing). Benefits are grouped by category, beneficiary, and benefit class.



Table 2.3 Summary table of the main benefits

Category	Benefit	Key Beneficiaries	Indicative Quantified Impacts	Supporting Evidence
Economic	Improved access to employment and skills	Working-age residents; young people; employers	• Increased participation in employment/ training • Reduced missed education sessions	Limited transport currently restricts access to jobs and education, particularly in rural areas; improved connectivity supports participation
	Increased productivity and efficient use of time	Service users; public services; operators	• Reduced journey and waiting times • Fewer missed appointments • Improved vehicle utilisation	Current system includes inefficiencies and duplication; integrated scheduling improves system performance
Social and Community	Reduced social isolation and improved wellbeing	Older adults; ASC users; rural communities	• Increased participation in community activity • Reduction in reported isolation indicators	Local evidence links lack of transport to isolation; community transport shown to improve social participation
	Increased independence and preparation for adulthood	SEND learners; ASC users; families	• Higher proportion of independent travel • Reduced reliance on specialist transport	Comparator authorities demonstrate independence gains through travel training and stepped support models



	Improved equity of access	Rural communities; low-income households; non-car users	• Improved service coverage • Reduced rural–urban access gap	Current provision is uneven; flexible and community models improve rural accessibility
Environmental and Climate	Reduced emissions and environmental impact	Wider community; Dorset Council	• Reduction in vehicle mileage • Lower CO₂ emissions per journey • Increased use of low-emission vehicles	Current system includes duplicate and single-occupancy journeys; shared and optimised transport reduces emissions
	Reduced car dependency and mode shift	Residents without viable alternatives; wider transport network	• Increased use of shared/public transport • Reduced reliance on private vehicles	Survey evidence shows high car dependency driven by lack of alternatives; improved services support modal shift
Financial and Operational	Reduced reliance on high-cost specialist transport	Dorset Council; transport system	• Reduction in taxi spend • Lower cost per journey • Slower demand growth (cost avoidance)	Current system heavily reliant on bespoke transport; demand management reduces cost pressures over time
	Improved asset utilisation	Dorset Council; transport providers	• Increased vehicle occupancy rates • Reduced empty mileage	Evidence of underutilised fleet and duplication; integration improves efficiency
	Long-term system sustainability	Dorset Council; residents	• Stabilisation of transport costs • Reduced demand growth for	Without reform, demand and costs will continue to rise; integrated



			specialist services	systems improve resilience
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2.8 Strategic Case Conclusion

The Strategic Case demonstrates a clear and compelling need for change. Dorset's current transport system is constrained by structural challenges, including limited public transport provision, a fragmented delivery model and increasing financial pressure. These issues are particularly acute in a rural context, where dispersed demand makes services more costly to provide and more difficult to coordinate. At the same time, growing reliance on specialist transport services, particularly for SEND home to school transport and Adult Social Care, is placing additional strain on resources and limiting the ability to invest in more flexible and accessible alternatives.

The analysis set out in this section highlights that the current system is not well aligned to future needs. While it continues to meet key statutory requirements, it does not consistently support wider objectives relating to accessibility, independence, economic participation and environmental sustainability. Evidence from users, stakeholders and consultation demonstrates strong reliance on transport services, alongside clear gaps in provision, with public transport identified as a critical issue. This reinforces the need for a more integrated and responsive approach.

In response, the Strategic Case has established a clear Service Requirements Framework, defining both the essential and desirable characteristics of a future transport system. This framework reflects the need to improve access to services, manage demand more effectively, make better use of existing resources and support a shift toward more sustainable and community-based travel options. It also ensures that future options are grounded in a shared understanding of outcomes and priorities, rather than individual service constraints. The framework also reflects the need to better align transport provision with wider demand management tools, including parking policy, to support a more efficient and balanced overall system.

Taken together, the evidence confirms that a continuation of current approaches will not deliver a sustainable or effective transport system. Instead, there is a need for coordinated, system-level change, enabling a move toward a more efficient, flexible and user-focused model, better aligned with strategic priorities and future growth ambitions.

The following Economic Case builds on this foundation by identifying and assessing a range of potential options to achieve the objectives set out in this Strategic Case.



3 Economic Case

The Economic Case considers how the objectives and service requirements set out in the Strategic Case can be delivered in practice. It identifies and assesses a range of potential options and approaches, examining the extent to which they meet the defined requirements, and provide a sustainable basis for future transport provision.

Building on the evidence of need for change, this section applies a structured and proportionate appraisal process to move from a broad long list of interventions to a smaller number of coherent and deliverable options. The focus is on identifying solutions that not only address current challenges, but also support long-term outcomes, including improved access, greater integration, and enhanced financial sustainability.

3.1 Critical success factors

The Critical Success Factors define the key conditions that must be met for the programme to be considered successful. They provide a clear basis for:

- assessing the long list and shortlist of options;
- identifying the Preferred Way Forward; and
- ensuring that the selected approach delivers the intended outcomes for users, services and the wider system.

The CSFs are directly derived from the service requirements framework set out in the Strategic Case. They will be applied consistently throughout the Economic Case to:

- screen the long list of options, ensuring only those capable of meeting core requirements are taken forward;
- assess the relative performance of shortlisted options, including trade-offs between cost, deliverability and outcomes; and
- support the identification of a Preferred Way Forward that provides the best overall fit with programme objectives.

At a minimum, any option progressed beyond the long list stage must demonstrate that it:

1. delivers reliable and equitable access to key services;
2. operates within a sustainable financial envelope;
3. improves integration across transport services and modes;
4. supports flexibility and responsiveness to changing demand; and
5. contributes to improved user outcomes and independence.



Options that do not adequately meet these core conditions will not be considered further.

Table 3.1 - Core (Essential) Requirements

Requirement Category	Success Criteria	Indicative KPIs / Measures
Access and inclusion	The preferred solution must ensure that residents can reliably access essential services, including education, health, employment and community activities, regardless of location or personal circumstances. This includes: • equitable provision across urban and rural areas; • accessibility for individuals with a range of needs and capabilities; and • the ability to support both essential and broader participation journeys.	• Coverage of transport provision across rural areas (% population within service reach) • Missed appointment / non-attendance rates linked to transport
Financial Sustainability and Value for Money	The preferred solution must provide a sustainable financial model, addressing current cost pressures and reducing reliance on high-cost provision over time. This includes: • improved efficiency and utilisation of resources; • reduction in the use of high-cost bespoke transport where appropriate; and • delivery of cost avoidance and long-term value for money.	• Cost per passenger journey • Total spend on specialist (taxi) provision • % reduction in high-cost journeys • Budget variance against forecast



Integration and System Coherence	The preferred solution must move beyond fragmented provision toward a more integrated transport system, with improved coordination across services. This includes: • alignment across SEND, Adult Social Care, community transport and public transport; • increased opportunities for shared journeys and pooled demand; and • reduced duplication of services and assets.	• % of journeys delivered through shared transport • Fleet utilisation rate (%) • Number of integrated routes/services across ASC, SEND and community transport • Reduction in duplicate routes or contracts
Flexibility and Responsiveness	The preferred solution must be capable of responding to changing and variable demand, particularly in rural and low-density areas. This includes: • support for flexible and demand-responsive services; • the ability to accommodate diverse journey types and patterns; and • alignment with evolving service models, including more localised and community-based provision.	• % of journeys delivered through flexible/DRT/shared services • Average journey booking lead time • Ability to accommodate non-standard journeys (qualitative or % acceptance rate)
User Outcomes and Independence	The preferred solution must contribute to improved user outcomes, with a focus on independence, wellbeing and participation.	• % of users travelling independently or with reduced support • Reduction in reliance on specialist transport over time



	This includes: • supporting individuals to travel independently where possible, with appropriate support; • enabling access to a wider range of social, economic and community opportunities; and • maintaining targeted provision for those with complex or high levels of need. appropriate and access a broader range of opportunities.	• User satisfaction scores (overall and by cohort)
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Table 3.2 - Desirable Requirements

Requirement Category	Success Criteria	Indicative KPIs / Measures
Localisation and Community Alignment	Transport provision reflects local needs and supports community-based services.	• Alignment of services with hub-and-spoke or locality-based provision • Stakeholder satisfaction (parish councils, VCSE)
Market Development	A diverse, resilient provider market is established and sustained.	• Number and diversity of providers in the system • % of services delivered by VCSE/micro-providers • Market capacity indicators (e.g. coverage, availability)
Digital Enablement	Improved coordination and user experience through digital tools and data.	• % of services using integrated scheduling/booking systems



		• Availability of real-time or accessible travel information • Data completeness and reporting capability across services
Environmental Sustainability	Transport contributes to reduction in emissions and environmental impact.	• % of low/zero-emission vehicles in fleet • Total fleet emissions (CO₂e) • Reduction in vehicle mileage per passenger journey
Workforce Sustainability	Workforce model is stable, resilient and fit for future demand.	• Staff and driver vacancy rates • Staff turnover rates • Proportion of services deliverable without specialist licensing requirements • Volunteer participation levels (where applicable)

3.2 Long List Appraisal Methodology

This section sets out the methodology used to assess the long list of options and identify those to be taken forward for further consideration.

The methodology applied is a proportionate, staged appraisal process, moving from a broad long list to a smaller number of credible and deliverable options or option packages.

The long list appraisal represents the first stage of option filtering. At this stage, the focus is on strategic fit and deliverability, rather than detailed financial or economic analysis, which will be undertaken at the full business case stage.

Each option has been assessed against the core (essential) service requirements, which act as a minimum viability threshold. Options that did not sufficiently meet these criteria were not taken forward. Options that met the core requirements were



further assessed against the desirable (enhancement) requirements. This stage enabled differentiation between options in terms of their potential to deliver wider system benefits and long-term value.

A high-level assessment of deliverability was undertaken, considering:

- complexity of implementation, including cross-service dependencies;
- reliance on external factors, such as market capacity and transport network availability;
- organisational readiness, including governance and capability; and
- potential risks to service continuity and access during transition.

Options considered undeliverable within a reasonable timeframe or risk profile were not progressed.

Particular weight was given to options that contribute to multiple requirement areas and enable system-level change.

The fully applied scoring matrix across the long list (Options 1-29) is set out within Appendix C.

The long list appraisal demonstrates clearly that not all options are capable of delivering the required level of system change. A number of options, including the 'do minimum' baseline and continuation of existing delivery models, were assessed as performing poorly against the Critical Success Factors. As a result, these options have been excluded from further consideration.

In contrast, a number of options were identified as making a strong contribution across multiple assessment criteria. These include:

- demand management measures, such as policy reform and travel training;
- service model changes, including more flexible delivery models and improved use of fleet;
- expansion of community and demand-responsive transport provision; and
- system-level enablers, such as integrated planning and shared scheduling.

However, the appraisal also highlights that no individual option performs strongly across all Critical Success Factors when considered in isolation. Instead, the highest-scoring interventions are interdependent. For example:

- demand management measures reduce reliance on specialist transport but require alternative supply to be viable;
- expanded community and flexible transport improves access but requires coordination and integration to operate efficiently; and
- integration mechanisms unlock efficiency but are dependent on changes to service design and delivery models.



This demonstrates that isolated or incremental changes will not deliver the required outcomes, and that a more coordinated, system-level approach is necessary.

Overall, the appraisal indicates that the most effective solutions are those that combine:

- demand management,
- supply expansion and diversification, and
- system integration and coordination.

These findings provide a clear and robust basis for:

- rejecting low-performing standalone options; and
- developing a shortlist of coherent option packages that reflect different levels of ambition and integration.

3.3 Preferred Way Forward

The Preferred Way Forward is to transition Dorset's transport system from a service-specific and high-cost model to an integrated, flexible and community-focussed system that supports independence, improves access, and ensures long-term financial sustainability.

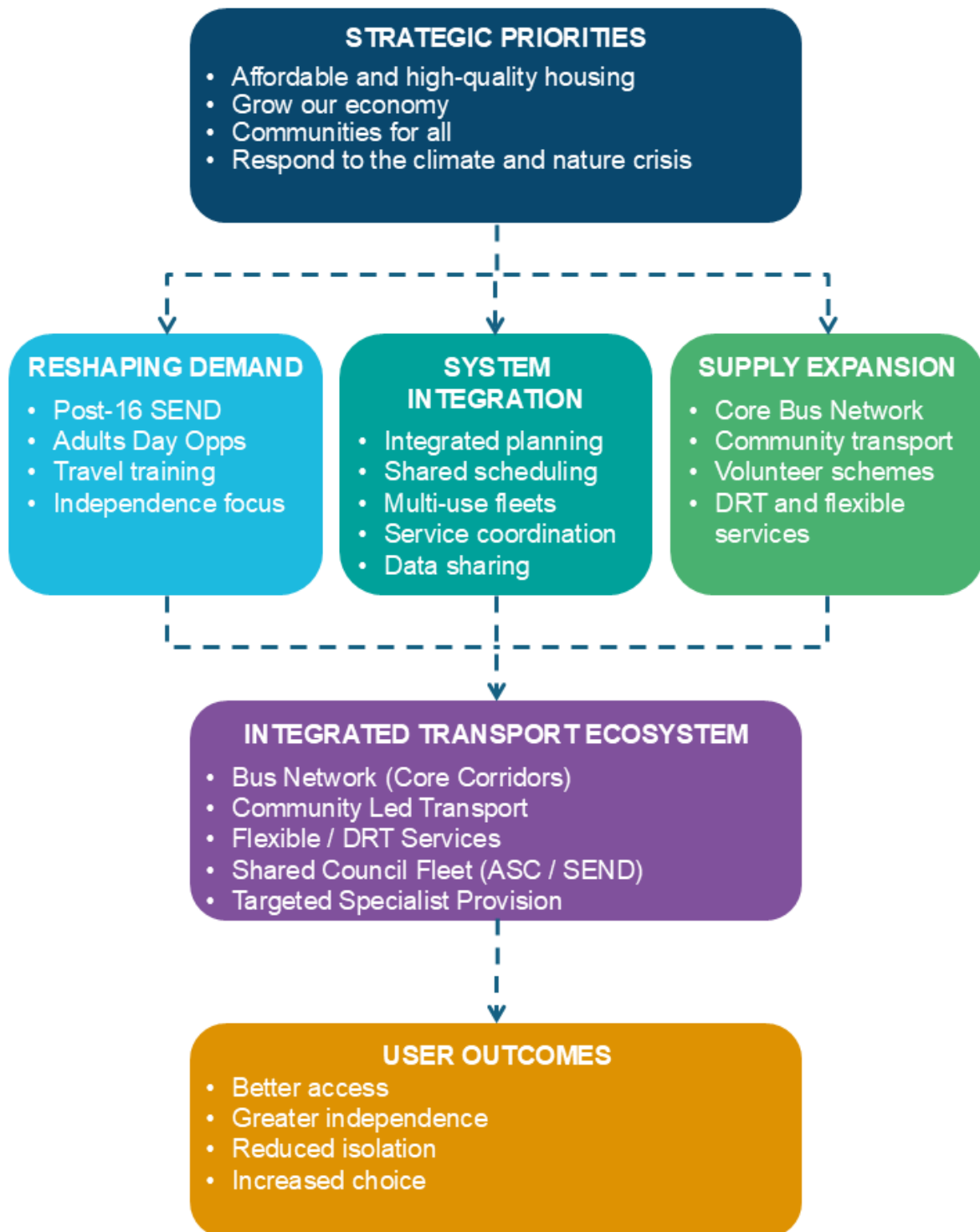
The long list appraisal demonstrates that incremental or standalone interventions will not deliver the level of improvement required. The Preferred Way Forward brings together a single, coordinated operating model that reshapes both demand and supply.

The Preferred Way Forward is to move toward a fully integrated transport model, which brings together policy, service design and delivery into a coherent system. It also reflects the key finding from the long list appraisal that the highest-performing options are those that operate in combination, rather than in isolation.

The Preferred Way Forward is underpinned by a conceptual Integrated Transport Operating Model, shown in Figure 3.1.



Figure 3.1 - Conceptual Integrated Transport Operating Model



This model brings together three mutually reinforcing components:

1. Reshaping Demand

Demand for specialist transport is reduced and better targeted through:

- reform of Post-16 SEND transport policy;



- changes to Adult Day Opportunities transport models; and
- increased emphasis on independent and supported travel, including travel training.

This ensures that:

- specialist provision is focused on those with the highest need; and
- a greater proportion of journeys can be delivered through shared and mainstream transport options.

2. System Integration

Transport services are planned and delivered as a coordinated system, rather than within separate service silos.

This includes:

- integrating transport across services;
- shared scheduling and coordination to enable pooled journeys;
- use of multi-purpose vehicles across different user groups; and
- improved data sharing and system visibility.

This element is critical to:

- improving efficiency;
- reducing duplication; and
- making best use of available resources.

3. Expanding Flexible Supply

The supply of transport is broadened and diversified through:

- strengthening the core bus network;
- expanding community-led transport and volunteer provision; and
- introducing more flexible and demand-responsive services where fixed routes are not viable.

This enables:

- improved access, particularly in rural and low-density areas; and
- greater flexibility to meet a wider range of user needs.

These three components combine to create a single, integrated transport ecosystem comprising:

- a core bus network, providing primary connectivity;
- community and locally led transport, supporting local access;



- flexible and demand-responsive services, addressing dispersed demand;
- a shared council fleet, used across service areas; and
- targeted specialist provision for individuals with complex needs.

This integrated approach also complements the council's parking strategy, creating opportunities to better manage demand across the network by providing viable alternatives to car travel and supporting a more balanced approach to parking provision and pricing.

While the Preferred Way Forward represents a transformational model, it is recognised that delivery will require a phased and managed implementation approach.

This reflects:

- the need to manage risk and service continuity;
- dependencies between demand, supply and integration measures; and
- the requirement to build capability, market capacity and system infrastructure over time.

In practice, this is likely to involve:

- early implementation of policy and demand management measures;
- phased expansion of community and flexible transport provision; and
- progressive development of integrated planning and coordination.

3.4 Shortlisted Options

Building on the Preferred Way Forward, the long list of options has been consolidated into a small number of coherent option packages for further appraisal in the full business case. The shortlisted options represent integrated packages of interventions, each offering a distinct but credible approach to delivering system change.

The shortlisted packages have been developed by grouping together the highest-performing and mutually reinforcing options identified through the appraisal process.

Each package:

- represents a complete end-to-end approach to service delivery;
- includes a combination of:
 - demand management measures;
 - supply-side improvements; and
 - system integration elements; and
- has been designed to be internally coherent and deliverable as a single model.



Crucially, the packages differ in the pace, scale and depth of transformation, allowing a clear comparison between:

- a more incremental approach, and
- a more comprehensive system redesign.

3.4.1 Shortlisted Option Packages

Option Package 1: Integrated Service Improvement Model

This option represents a moderate level of transformation, focused on improving performance within the existing system structure while introducing greater integration and flexibility.

The package combines:

- targeted demand management, including policy reform and travel training;
- expansion of community and flexible transport provision; and
- improved coordination and shared use of services.

This approach delivers:

- improved access and user outcomes;
- greater efficiency in the use of existing resources; and
- progress toward a more integrated system.

However, integration remains partial, with some elements of the system continuing to operate separately. As a result, while this option meets the core requirements, it does not fully address underlying structural inefficiencies.

Option Package 2: Fully Integrated Transport System

This option represents a comprehensive, system-wide transformation, aligned with the Integrated Transport Operating Model described in Section 4.3.

It combines:

- full implementation of demand management measures;
- significant expansion and diversification of transport supply; and
- a high degree of system integration, including shared planning, scheduling and commissioning.

Under this model, transport services operate as a single coordinated system, enabling:

- maximum use of shared journeys and assets;
- improved access across all geographies and user groups; and
- a step change in financial sustainability and operational efficiency.



This option provides the strongest alignment with the Critical Success Factors and offers the greatest potential to deliver long-term system benefits, but requires a higher level of change and programme delivery capability.

The two shortlisted packages provide a clear basis for comparison:

- Option Package 1 prioritises deliverability and lower complexity, with more limited transformation;
- Option Package 2 prioritises system integration and long-term impact, with greater implementation complexity.

Both options represent credible approaches to improvement and meet the minimum requirements set out in Section 4.1. However, they differ in the extent to which they realise the full benefits of an integrated transport system.

The shortlisted option packages will be taken forward for detailed economic appraisal in the Full Business Case, including:

- assessment of costs and benefits;
- consideration of risks and deliverability; and
- evaluation of value for money.

This will provide the evidence required to confirm the Preferred Way Forward and support decision-making.

3.5 Risks and Deliverability

As set out in Section 4.3, two shortlisted option packages have been identified for further consideration. Both options are capable of meeting the core service requirements and represent credible approaches to improving the current transport system.

At this stage of the Economic Case, a high-level assessment of risks and deliverability has been undertaken to:

- identify key challenges associated with each option;
- understand the relative complexity of implementation; and
- inform the development of a Preferred Way Forward.

This assessment is proportionate to the Outline Business Case stage. A more detailed and quantified evaluation of risk, affordability and deliverability will be undertaken as part of the Full Business Case (FBC).

Across both options, it is recognised that moving away from the current model will require careful sequencing and strong programme management to ensure that benefits are realised without adversely affecting service users.



3.5.1 Key Risks

The principal risks associated with this option include:

- **Complexity of system integration:** Delivering an integrated model requires coordination across multiple services, providers and stakeholders, which increases implementation complexity.
- **Dependency on market capacity:** Expansion of community transport, flexible services and alternative provision is dependent on the availability and capability of the provider market.
- **Transition risk:** Moving from the current model to a new system may create short-term risks to service continuity, particularly for vulnerable users, if not carefully managed.
- **Delivery capability and governance:** Successful implementation will require strong programme leadership, robust governance arrangements and appropriate resourcing.

These risks can be mitigated through a phased and sequenced delivery approach, including:

- early implementation of lower-risk demand management measures;
- gradual expansion of transport provision; and
- progressive development of integration capabilities.

This approach allows learning and refinement over time, reducing risk while maintaining momentum. Further detailed analysis will be undertaken at Full Business Case stage to:

- quantify and assess risks in greater detail, including likelihood, impact and mitigation measures;
- develop detailed delivery plans, phasing and timelines;
- assess market readiness and capacity;
- confirm affordability and funding requirements; and
- establish robust governance and programme management arrangements.

This will ensure that the Preferred Way Forward is supported by a deliverable and fully costed implementation plan, with clearly defined risk management strategies.

At Outline Business Case stage, both shortlisted options are considered **deliverable**, but with differing levels of risk and complexity.

3.6 Economic Case Conclusion

The Economic Case demonstrates that the challenges identified in the Strategic Case cannot be addressed through incremental change or isolated interventions. The assessment of the long list shows that options based on maintaining the current



model, or introducing limited improvements, do not meet the Critical Success Factors and would not deliver a sustainable or effective transport system.

In contrast, the options that perform most strongly are those that combine demand management, expansion of transport supply and improved system integration. The appraisal therefore confirms that meaningful improvement requires a coordinated, system-wide approach, rather than a series of standalone measures.

Of the shortlisted options, the Integrated Service Improvement Model provides a deliverable, lower-risk approach with moderate benefits. However, the Fully Integrated Transport System offers a more comprehensive solution, with significantly greater potential to improve access, enhance efficiency and deliver long-term financial sustainability through a coordinated operating model.

An Integrated Transport System is identified as the Preferred Way Forward. While complex to deliver, its risks can be managed through phased implementation, and it provides the clearest route to achieving a sustainable, integrated and user-focused transport system. The Full Business Case will develop this approach in detail, including implementation, costs, risks and delivery arrangements.



4 Commercial, Financial and Management Cases

4.1 Commercial Case

The Commercial Case considers how the market can support delivery of the Preferred Way Forward, and the approach the council will take to secure services that maximise public value. Moving to an integrated transport system represents a shift away from commissioning individual services in isolation, toward a more coordinated and flexible delivery model. This requires a commercial approach that enables different providers to contribute to a single, system-wide offer.

4.1.1 Market Capability and Capacity

The current transport market in Dorset is broad but fragmented, comprising commercial bus operators, taxi and private hire providers, community transport organisations, and a wider voluntary and community sector. Each of these providers delivers elements of the existing system, but their contribution is constrained by the way services are currently designed and commissioned.

A detailed assessment of the market is required to determine that there is sufficient capacity within the market to support the Preferred Way Forward, and that commissioning arrangements are restructured to enable greater flexibility and coordination. In particular, there is clear potential for community transport and VCSE providers to expand their role where supported, and evidence that flexible and demand-responsive transport models are increasingly deliverable in comparable areas. The future model will therefore focus on enabling the market to operate more effectively across service boundaries, rather than relying on a single provider type.

4.1.2 Attractiveness of the Future Delivery Model

The attractiveness of the future delivery model to providers will depend on the extent to which it offers stability, flexibility and viable operating models. The Preferred Way Forward is expected to enhance this by moving toward longer-term, more outcome-focused arrangements that allow providers to operate across multiple service areas. This improves vehicle utilisation and reduces reliance on narrowly defined contracts, increasing commercial viability.

In considering risk apportionment, the council will retain responsibility for strategic and system-wide elements, including overall planning, demand management and integration. Operational risks relating to service delivery will be shared with providers



where appropriate, with care taken not to transfer risks that the market is unable to manage effectively. Payment mechanisms will need to evolve to reflect this approach, moving away from single-route or single-user contracts toward arrangements that incentivise efficiency, flexibility and shared journeys. These principles will ensure that delivery is both commercially sustainable and aligned with the programme's objectives.

4.1.3 Commercial Strategy

The commercial strategy will align with the council's broader objectives of maximising public value and improving efficiency through collaboration. This includes increased use of joint commissioning across service areas such as Adult Social Care and SEND, as well as opportunities to aggregate demand to achieve economies of scale. The council will also seek to develop stronger partnerships with VCSE organisations and local providers, enabling a more diverse and resilient delivery model. Overall, the Commercial Case supports a transition to a more strategic, partnership-based approach to transport delivery.

The programme will be developed in alignment with related initiatives, including the parking review, to ensure a coordinated approach to demand management, network efficiency and user behaviour.

4.2 Financial Case

The Financial Case considers the affordability of the Preferred Way Forward and the extent to which the council is able to support its delivery. At this stage, the assessment focuses on the overall financial context, the likely profile of costs and benefits, and the availability of resources, recognising that more detailed financial modelling will be undertaken at Full Business Case stage.

4.2.1 Current Financial Position

Transport services in Dorset are currently subject to increasing financial pressure. This is driven by growth in demand, particularly in SEND and Adult Social Care transport, alongside a high level of reliance on bespoke and individually commissioned provision. These factors result in a cost base that is both high and difficult to manage, with limited flexibility to respond to changing demand.

Without intervention, these pressures are expected to continue, leading to further increases in expenditure and increasing risk to the sustainability of current service models. The Preferred Way Forward is therefore positioned not only as an improvement in service delivery, but as a necessary response to an upward financial trajectory.



4.2.2 Affordability and Funding

The Preferred Way Forward will require a combination of initial investment and ongoing revenue funding. Upfront costs are likely to include system development, service redesign and market development activity. The programme is primarily expected to deliver financial benefits through cost avoidance and savings. These benefits arise from reducing reliance on high-cost provision and improving the overall efficiency of the system.

The affordability of the programme will depend on the balance between these initial investments and longer-term reductions in cost growth. Funding is expected to be drawn from existing service budgets, supported by reallocation of resources as efficiencies are realised. Opportunities to secure external funding will also be explored where available.

4.2.3 Financial Constraints and Risks

The key financial constraints relate to the availability of resources within existing budgets and the timing of benefits realisation. There is a risk that upfront investment requirements may precede the delivery of savings, requiring careful financial planning and phasing.

There is also inherent uncertainty in the scale and timing of cost avoidance, particularly where benefits are dependent on behavioural change or market development. These risks will be addressed through robust financial modelling and sensitivity testing at Full Business Case stage.

4.2.4 Stakeholder Support

There is strategic support for the direction of travel across internal stakeholders, including transport, Adult Social Care and Children's Services. This reflects a shared recognition of the need for a more sustainable and integrated approach. This support provides a strong foundation for progressing the Preferred Way Forward, subject to confirmation of detailed financial arrangements at the next stage.

4.3 Management Case

The Management Case sets out how the programme will be delivered successfully, including governance, stakeholder engagement and programme management arrangements. At this stage, the focus is on demonstrating that the programme is achievable and that there is a clear pathway to developing detailed delivery plans.

4.3.1 Stakeholders and Roles



The programme will involve a wide range of stakeholders across the council and beyond. Internal stakeholders include transport, Adult Social Care, Children's Services, finance, procurement and corporate leadership. These services will need to work together closely to deliver an integrated approach.

Externally, delivery will involve transport operators, community transport organisations, VCSE partners, parish and town councils, and other service providers. Users themselves are also a critical stakeholder group, and their needs and experiences will inform the design and delivery of services. Effective engagement across all of these groups will be essential to ensuring successful implementation.

4.3.2 Deliverability and Organisational Readiness

The programme represents a significant change from current delivery models, but it builds on existing services, partnerships and capabilities. The council already has experience of commissioning transport services and working with a range of providers, which provides a strong foundation for delivering a more integrated system.

However, the programme will require the development of new capabilities, particularly in relation to system integration, coordinated planning and market development. It will also require effective management of change across multiple service areas. These challenges are recognised and can be addressed through a structured and phased approach, supported by appropriate governance and resources.

4.3.3 Programme Management and Governance

Delivery will be supported by a formal programme management framework, managed through the Transformation Office and the Transport Beacon Team, providing clear governance, accountability and oversight. This will include defined roles and responsibilities, structured decision-making processes, and mechanisms for managing risk and performance.

The programme will need to be delivered in phases, allowing for learning and adjustment as implementation progresses. This approach will help to manage risk and ensure that services continue to operate effectively during the transition period.

4.3.4 Development of Detailed Delivery Arrangements

Further work is required to develop detailed management arrangements, including implementation plans, governance structures, resource requirements and engagement strategies. These elements will be developed as part of the Full Business Case, alongside detailed financial and commercial proposals.



This next stage will ensure that the Preferred Way Forward is supported by a fully developed, deliverable plan, with clear milestones, responsibilities and performance measures.

4.3.5 Conclusion

The Management Case demonstrates that the programme is achievable, provided it is supported by strong governance, effective stakeholder engagement and a phased approach to delivery. It establishes a clear basis for progressing to Full Business Case stage, where detailed arrangements will be confirmed and refined.



5 Conclusions and Next Steps

This OBC demonstrates a clear and robust case for transforming Dorset's transport system. It confirms that the current model is not sustainable in the context of increasing demand, financial pressure and the need to improve access, integration and flexibility. The assessment of options shows that meaningful improvement cannot be achieved through incremental change alone, and that a more coordinated, system-wide approach is required.

The analysis identifies an integrated transport system as the Preferred Way Forward. This approach offers the greatest potential to deliver improved outcomes for residents, enhance efficiency in the use of resources and support long-term financial sustainability. While complex to deliver, the risks can be managed through a phased implementation approach and robust programme governance.

Subject to approval, the next stage of the programme will focus on the development of a Full Business Case (FBC), which will translate the Preferred Way Forward into a detailed and deliverable implementation plan. This will include:

- development of a phased delivery programme, setting out sequencing, milestones and priorities;
- detailed financial modelling, including costs, benefits and funding arrangements;
- further assessment of commercial delivery models and market engagement;
- detailed risk assessment and mitigation planning; and
- establishment of governance, programme management and performance frameworks.

In parallel, early progress will be taken forward on priority areas where there is a clear evidence base and lower delivery risk, including demand management measures and improvements to coordination and integration.



Appendix A - National, Regional and Local Policy Framework

Policy / Document	Date	Relevance to the OBC	Link
Better Connected: A Strategy for Integrated Transport (DfT)	2026	Sets out the Government's long-term vision for a joined-up, user-focused transport system, emphasising integration, accessibility, use of data and partnership with local authorities. Provides a clear national framework for integrated transport models.	Better Connected Strategy [gov.uk]
The Government's Vision for Buses (DfT)	2026 (updated)	Establishes expectations for reliable, inclusive and affordable bus services, with stronger local authority leadership and integrated service delivery. Directly supports improvements to bus networks within this OBC.	Vision for Buses [gov.uk]
National Bus Strategy – Bus Back Better (DfT)	2021	Emphasises the need to reverse decline in bus usage, improve service quality and develop Bus Service Improvement Plans (BSIPs), supporting investment in core routes and integrated local systems.	https://www.gov.uk/government/publications/bus-back-better [mcl-transport.co.uk]
Local Transport Plan Guidance (DfT)	2026	Provides statutory and policy guidance on developing LTPs, including requirements for evidence-based planning, integration and delivery aligned to national priorities.	https://www.gov.uk/government/publications/local-transport-plans [gov.uk]
Transport Act	2000	Establishes the statutory duty for local authorities to prepare Local Transport Plans and promote safe, integrated, efficient	https://www.legislation.gov.uk/ukpga/2000/38 [legislation.gov.uk]



		transport systems. Forms the legislative basis for the LTP.	
Children's Wellbeing and Schools Act	2026	Introduces reforms with a focus on inclusion, early intervention and local provision ("local child, local school"), supporting reduced reliance on specialist placements, more localised services and a corresponding reduction in demand for long-distance transport over time.	https://www.legislation.gov.uk/ukpga/2026/21/content/enacted
SEND Code of Practice (0–25 years)	2014 (updated 2024)	Provides statutory guidance on supporting children and young people with SEND, including joint commissioning, integration and transport implications linked to access to education.	https://www.gov.uk/government/publications/send-code-of-practice-0-to-25 [gov.uk]
Children and Families Act (SEND framework)	2014	Introduces Education, Health and Care Plans (EHCPs), creating duties on councils to ensure integrated support across education, health and care, including access arrangements.	https://www.legislation.gov.uk/ukpga/2014/6
Care Act	2014	Establishes duties on local authorities to promote wellbeing, independence and prevention. Requires councils to consider transport as part of enabling access to care and support services where needs are identified.	https://www.legislation.gov.uk/ukpga/2014/23 [legislation.gov.uk]
Care Act Statutory Guidance	2016 (ongoing)	Reinforces the need to support independence and ensure access to services, including consideration of transport arrangements as part of meeting eligible needs.	https://www.gov.uk/government/publications/care-act-2014-part-1-factsheets [gov.uk]



Dorset Economic Growth Strategy 2025–2040	2025	Provides long-term framework for growth, highlighting the importance of transport connectivity and access to labour markets.	https://www.dorsetcouncil.gov.uk/w/dorset-s-economic-growth-strategy-2025-to-2040
Dorset Council Plan 2024-2029	2024	Establishes Council priorities, including climate action, strong communities and economic growth, all of which rely on improved transport provision.	https://www.dorsetcouncil.gov.uk/dorset-council-plan-2024-to-2029
Natural Environment, Climate and Ecology Strategy	2024	Sets out commitments to reduce carbon emissions and protect the environment, reinforcing the need for modal shift and sustainable transport solutions.	https://www.dorsetcouncil.gov.uk/w/natural-environment-climate-ecology-strategy-2023-25-refresh
Local Transport Plan 2026–2041 (Dorset & BCP)	2026	Provides the statutory long-term transport strategy, promoting a vision-led, integrated and sustainable transport system that underpins this OBC.	(Final publication link to be inserted)
Western Gateway Strategic Transport Plan	2023	Regional strategy focusing on improving connectivity, supporting economic growth and enabling investment across the Western Gateway region.	https://westerngatewaystp.com
Western Gateway Strategic Investment Plan	2024	Identifies infrastructure and transport investment priorities to support regional growth and productivity, including enhanced connectivity and mobility.	https://westerngatewaystp.com
Age Friendly Dorset	2023	Supports inclusive communities by ensuring older residents can remain active and connected, highlighting the importance of accessible and reliable transport services.	https://www.dorsetcouncil.gov.uk/age-friendly-dorset
Dorset Council Parking Review	2025	Internal review that highlights links between parking and transport.	(Internal document / link pending publication)



		Supports demand management and mode shift objectives aligned with this OBC.	
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Appendix B – Long List of Options

Policy and Demand Management Options

Option	Description	Primary Requirements Addressed
Option 1: Do Minimum (Baseline)	Maintain current eligibility, policies and delivery models with incremental efficiencies only.	Access (minimum), Financial sustainability (limited)
Option 2: Post-16 SEND Policy Reform	Introduce a stepped, needs-led transport policy, including travel training, personal travel budgets and graduated support to enable independent travel and reduce reliance on specialist provision over time.	Financial sustainability, Independence, Integration
Option 3: Adults Day Opportunities Transport Reform	Reshape transport and support care providers to develop and cost their own transport and align transport provision with locality-based service delivery to reduce travel distances and demand for bespoke transport.	Financial sustainability, User outcomes
Option 4: Expansion of Travel Training	Scale up Independent Travel Training across Post-16 SEND and Adults cohorts.	Independence, Access
Option 5: Increased Use of Personal Travel Budgets (PTBs)	Expand PTBs across applicable cohorts to support family- and user-led solutions, providing a flexible alternative to commissioned transport and enabling demand to shift away	Flexibility, Financial sustainability



	from specialist provision where appropriate.	
Option 6: Walked Route Assessment Reviews	Undertake process redesign to support reassessment of closed routes and transport provision.	Access, Financial sustainability
Option 7: Demand Management and Travel Behaviour Programme	Develop a coordinated programme to manage travel demand across services, including promotion of independent travel, modal shift to public and community transport, and alignment with parking policy and charging mechanisms.	Access, Financial sustainability

Service Model and Delivery Design Options

Option	Description	Primary Requirements Addressed
Option 8: Maintain Existing Fleet Model	Continue use of large, specialist vehicles and fixed routes.	Access (limited), Integration (low)
Option 9: Fleet Transformation	Transition to flexible, multi-use vehicles that can operate across multiple services, including vehicle types suited to rural demand patterns and shared use across multiple services.	Financial sustainability, Flexibility, Integration
Option 10: Hub-and-Spoke Service Model	Align transport with locality-based service delivery, enabling access to distributed services.	Localisation, Access, Flexibility
Option 11: Flexible Scheduling and Routing	Introduce greater flexibility in routes and scheduling across services, enabling dynamic route planning, improved vehicle	Flexibility, Integration



	utilisation and better alignment with multi-user demand.	
Option 12: Blended Transport Model	Combine multiple transport types (bus, DRT, community, specialist) within a coordinated offer, designed around user needs and integrated planning across services.	Integration, Access, Efficiency

Supply Expansion and Market Development Options

Option	Description	Primary Requirements Addressed
Option 13: Maintain Current Community Transport Model	Continue with existing fragmented community transport provision.	Access (partial), Integration (low)
Option 14: Core Route Frequency Uplift	Lift service frequencies from 2 hourly to hourly on the CR3, CR4, CR5, CR6, CR7 and CR20. Estimated Cost: £2m per year (to be confirmed following operator engagement and retendering)	Access, Integration
Option 15: Full Saturday Service Rollout	Complete the rollout of Saturday services on the CR4, CR5, CR9, and CR20. Estimated Cost: £700k per year (to be confirmed following operator engagement and retendering).	Access, Integration
Option 16: Public Transport Network Optimisation	Review and redesign the core bus network to improve connectivity, reliability and integration with community and flexible transport, focusing on key corridors,	Access, Integration, Flexibility



	interchange points and access to growth locations.	
Option 17: Expand Community Transport Capacity	Grow existing community transport provision through extended collaboration between the council, local community and voluntary providers, to integrate community transport with public bus services to provide first-mile/last-mile connectivity and support access in rural and low-density areas.	Access, Localisation
Option 18: Develop Local Transport Hubs	Establish local coordination points for community and flexible transport services.	Integration, Localisation
Option 19: Enable VCSE and Micro-Provider Market	Expand participation of smaller providers through commissioning and support.	Market development, Flexibility
Option 20: Introduce Demand Responsive Transport (DRT)	Develop new flexible transport services where fixed routes are not viable, particularly in rural areas and to complement the core bus network.	Flexibility, Access
Option 21: Multi-User Shared Services	Enable vehicles and services to be used across multiple user groups (e.g. ASC, SEND), reducing duplication and maximising asset utilisation across the system.	Integration, Efficiency
Option 22: Young Person Discount (16–25)	Offering a third off adult fares on all bus services. Commercial operators would be reimbursed for lost income, on the basis that operators should be overall no better and no worse off from the scheme. Estimated Cost: £750,000 per year.	Independence, Access



System Integration and Enabler Options

Option	Description	Primary Requirements Addressed
Option 23: Maintain Current System Structure	Retain separate planning, commissioning and delivery structures.	Integration (low)
Option 24: Enhanced Integrated Transport Function	Integrate transport functions across Adult's, Children's and Dorset Travel to enable system-wide planning, coordination and performance management.	Integration, Efficiency
Option 25: Shared Scheduling and Coordination	Implement cross-service scheduling to enable pooled journeys and improved utilisation.	Integration, Efficiency
Option 26: Digital Platform for DRT Coordination	Introduce digital tools for booking, scheduling and data integration to support real-time scheduling, booking and system integration across transport modes and providers.	Digital enablement, Integration
Option 27: Integrated Commissioning Model	Align commissioning across services to enable flexible, outcome-based delivery.	Efficiency, Market development
Option 28: Transport and Parking Strategy Alignment	Align transport service improvements with parking policy, including pricing, demand management and utilisation strategies, to support mode shift and improve network efficiency.	Integration, Access, Efficiency
Option 29: Performance and Data Framework	Improve system-wide data, KPIs and performance monitoring.	Efficiency, Integration



Appendix C –Option-Level Scoring

Scoring Scale

Score	Definition
++	Strongly meets requirement / delivers significant improvement
+	Meets requirement / delivers moderate improvement
0	Neutral / limited contribution
–	Weak against requirement
--	Fails to meet requirement

Critical Success Factors

- Access and Inclusion
- Financial Sustainability
- Integration and System Coherence
- Flexibility and Responsiveness
- User Outcomes and Independence

Policy and Demand Management

Option	Access	Financial	Integration	Flexibility	Outcomes	Overall
1. Do Minimum	0	--	--	–	–	Very Low
2. SEND Reform	+	+	+	+	++	High



3. Adults Day Opportunities Reform	+	+	+	+	+	High
4. Travel Training	+	+	+	0	++	High
5. PTBs	+	+	0	+	+	High
6. Walked Route Reviews	+	+	0	0	+	Moderate
7. Demand Management Programme	++	++	+	+	++	Very High

Service Model and Delivery

Option	Access	Financial	Integration	Flexibility	Outcomes	Overall
8. Existing Fleet	0	–	--	--	–	Very Low
9. Fleet Transformation	+	++	+	+	+	High
10. Hub-and-Spoke	++	+	+	++	++	Very High
11. Flexible Scheduling	+	+	+	++	+	High
12. Blended Model	++	++	++	++	++	Very High

Supply and Market

Option	Access	Financial	Integration	Flexibility	Outcomes	Overall
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13. Current CT Model	0	0	–	0	0	Low
14. Core Route Uplift	++	–	+	0	+	Moderate – High
15. Saturday Services	+	–	+	0	+	Moderate
16. Network Optimisation	++	++	++	+	+	Very High
17. Expand CT	+	+	+	+	+	High
18. Transport Hubs	+	+	++	+	+	Very High
19. VCSE Market	+	+	+	+	+	High
20. DRT	++	+	+	++	+	Very High
21. Multi-User Services	+	++	++	+	+	Very High
22. Young Person Discount	+	–	0	0	+	Moderate

System Integration and Enablers

Option	Access	Financial	Integration	Flexibility	Outcomes	Overall
23. Current Structure	0	–	--	–	–	Very Low
24. Integrated Function	+	+	++	+	+	Very High
25. Shared Scheduling	+	++	++	+	+	Very High



26. Digital Platform	+	+	++	+	+	High
27. Integrated Commissioning	+	++	++	+	+	Very High
28. Transport + Parking Alignment	+	+	++	+	+	High
29. Performance Framework	0	+	+	0	0	Moderate



