

Children and Young People's Overview and Scrutiny Committee

10 March 2023

Home to School Transport Services - Consultation



Report of Corporate Management Team

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Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide an opportunity for CYPS Overview and Scrutiny Committee to provide views as part of the public consultation on proposals to transform Durham County Council's Home to School Transport Service for Children and Young People.

Executive summary

- 2 The Local Authority has a statutory duty to provide home to school transport to children and young people who meet circumstances prescribed in legislation. This is set out in statutory guidance from the Department for Education.
- 3 The Home to School Transport offer for our eligible children and young people is currently set out in the Durham County Council "Home to Primary, Secondary and Special School and College Travel and Transport Policy", which mirrors the statutory guidance and also allows for additional discretionary arrangements, which most other local authorities no longer offer.
- 4 The existing Home to School Transport service provides daily transport for over 9,000 children and young people, with over 1,000 contracts in place with Transport Providers.

- 5 At the end of September 2022, projected net expenditure on Home to School Transport is approx. £24.3 million, against a current net budget of £19.5 million. This represents an overspend of £4.8 million.
- 6 It is estimated that net expenditure on Home to School Transport will increase by a further £4.8 million in 2023/24. This estimated increase reflects both the full year impact of price increases experienced in 2022/23 and an estimate of further demand and price pressures in 2023/24.
- 7 The Home to School Transport Budget has been increased by £9.6 million in 2023/24 to cover the additional estimated demand and cost pressures.
- 8 With increasing pressure on funding and growing demand for council services, especially statutory services, decisions need to be made about how the council meets this demand in an affordable yet effective way in the future.
- 9 An external review of the County Council's Home to School Transport Service was undertaken in 2021, in order to identify opportunities to transform the service and to manage demand and pressures on the service.
- 10 The review identified positive opportunities for the Council to develop a strategic programme of work with the aim of:
 - promoting the independence of young people through a range of travel options;
 - addressing inequities in the offer;
 - removing legacy issues to move more in line with other Local Authorities and
 - ensuring value for money for council taxpayers.
- 11 The above includes the opportunity to transform the travel offer for children with Special Educational Needs, which has seen a substantial growth over recent years from 460 transport contracts in 2019 to 594 contracts at September 2022 (29% increase) and which is linked to a significant growth over the same period in the number of young people with SEND who have an Education, Health and Care Plan.
- 12 The findings of the review have also been compounded over the last 12 months due to the significant impact of covid-19 and other world events on transport providers especially in the recruitment and retention of

drivers and increasing operating costs arising from inflation and energy prices.

- 13 The Service review identified a number of opportunities in relation to transforming the Home to School Transport Service, which are:
- Review the provision of the Durham County Council's Concessionary Schemes;
 - Consider how the Council can more effectively and efficiently support the provision of journeys and passenger assistants on transport;
 - Promote Independence skills of young people through travel training and other opportunities;
 - Introduce a simplified process for providing personal travel budgets for parents/cares of pupils with SEND and those living in remote rural areas where it is cost effective to do so;
 - Review unsafe walking routes and existing travel routes across the County, especially schools with high volumes of routes and
 - Review potential procurement options for home to school transport services in relation to impact on value for money and associated competitive pricing.
- 14 This paper sets out the detail of the transformation priorities. The consultation is taking place between 27th February and 12th April 2023.

Recommendation(s)

- 15 Children and Young People's Overview and Scrutiny Committee are asked to:
- Consider the contents of this report and make any observations or comments about the detail within this report and to share any thoughts, ideas or suggestions about the proposals.

Background

- 16 The Council has a statutory duty under various Acts and Guidance to provide education transport to eligible students. The main legislation is set out in the following:
- The Education Act 1996;
 - Education and Inspections Act (EIA) 2006;
 - The Home to School Travel and Transport Guidance 2014;
 - Post 16 Transport to Education and Training Guidance 2014.
- 17 In order to comply with statutory Home to School Transport duties local authorities must comply with the following :
- Promote the use of sustainable travel and transport;
 - Make transport arrangements for all eligible children.
- 18 In particular, the Education Act 1996, states that a statutory duty is placed on the Council to make suitable travel arrangements to facilitate attendance at school for eligible children of compulsory school age (5-16). This is based on statutory walking distance for children to a qualifying school as follows:
- Beyond 2 miles (below the age of 8);
 - Beyond 3 miles (age 8 – 16);
 - Between 2 – 6 miles for pupils from low income families (for example in receipt of free school meals);
 - No statutory distances for pupils with a disability or mobility requirement.
- 19 The Home to School Travel and Transport Guidance 2014 (Special Education Needs) requires Local Authorities to make transport arrangements for those children who cannot reasonably be expected to walk to school because of their mobility or associated health and safety issues related to their special education needs and disabilities.
- 20 Durham County Council's Home to School Transport service provides daily transport to over 9,000 passengers, made up of mainstream and SEND passengers along with other special provision. This is delivered by over 1,000 contracts and utilising over 300 different transport suppliers.

- 21 Expenditure on home to school transport has been increasing steadily over recent years. At the end of September 2022, projected net expenditure for the 2022/23 financial year on statutory Home to School Transport is approx. £24.3 million, against a current net budget of £19.5 million. An overspend of £4.8 million for the period. This increase is due to demographic growth, inflationary pressures and prices.
- 22 The increasing demand and cost of Home to School Transport has been driven by a number of factors:
- SEND Transport delivery, including the increased demand for Taxis and Passenger Assistants over recent years. An external review undertaken in 2021 identified that whilst 23% of pupil demand (2,013 passengers) is for SEND/other specialist transport this represents 72.8% of the total expenditure on the service (£16.172 million).
 - National Regulations, such as Public Sector Vehicles Accessibility Regulations, which have required vehicles to meet additional specification requirements.
 - Increasing contractor costs, driven by fuel prices, inflation and wage increases.
 - Parental/School expectations, including meeting the needs of a significantly increased number of pupils with Education, Health and Care Plans.
- 23 Transport costs are forecasted to rise further in future years with continuing price inflation and increases in the National Minimum Wage likely to impact the service.
- 24 Further pressures on the Home to School Transport market have arisen due to the recent pandemic and other world events including:
- transport companies reporting increased difficulties recruiting and retaining driving staff post covid-19.
 - The growth of on-line shopping leading to greater demand for drivers for the home delivery sector.
 - Increased operating costs for travel companies due to increased energy prices and inflation.
- 25 It is estimated that net expenditure on Home to School Transport will increase by a further £4.8 million in 2023/24. This estimated increase reflects both the full year impact of price increases experienced in

2022/23 and an estimate of further demand and price pressures in 2023/24.

- 26 The Home to School Transport Budget has been increased by £1.3 million in 23/24 to reflect the standard 5% price increase assumption used by the County Council. In addition, the budget has also been increased by a further £8.3 million to cover the additional estimated demand and cost pressures in 2023/24.
- 27 To help understand the issues in more detail and be informed by best practice elsewhere in the country, the Council commissioned a review of the Home to School Transport service in 2021. The review considered home to school transport organisation and delivery, key policy and processes, supply market value, procurement, routing, systems and performance.
- 28 The culmination of the review was a range of key findings and potential improvements to the effectiveness and efficiency of the Service, which were presented to the Council for consideration.
- 29 The Council has also identified a number of guiding principles for the Service Transformation of Home to School Transport in that proposals should be:
- Sustainable and support the Council's Environmental policies
 - Safe for providers and users of the Service
 - Aligned to the identified needs of Children and Young People
 - Supportive of the Independence of Children and Young People where appropriate
 - Efficient and deliver value for money.
- 30 The Council has therefore shaped a transformation programme for its Home to School Transport Services around the following Priorities, are the subject matter of the consultation as follows:

Priority 1 - Review the DCC Concessionary Scheme.

- 31 Concessionary seats are spare seats available on a school bus, that are sold to pupils who are **not** entitled to free transport. There are three schemes which operate in County Durham:
- ***The standard scheme.*** When the Council is commissioning transport for statutorily entitled pupils there are likely to be spare seats available which are made available to non-entitled pupils.

This practice is common across Local Authorities in England. The current charge is £1.63 per day;

- **The maintained scheme.** This was implemented following policy changes that took effect in September 2012, where sufficient transport capacity was maintained within the Spare Seats Concessions on established school transport routes that did not have an alternative suitable local bus service. The Council does not operate a full cost recovery model for this scheme and incurs a financial loss each year of over £250,000. The current charge is £1.63 per day. A comparable commercial child fare is Go North East 'Under 19' fare which is currently available at £1.40 single fare ticket, which would result in a charge of £2.80 for a return journey. Most Local Authorities do not offer this discretionary type of concessionary scheme as part of their Home to School Travel offer.
- **The Schools' Scheme.** Concessionary transport is provided where partner schools request the Council to arrange a scheme. There are currently 11 schools participating covering travel by 2,110 children. Schools are able to set their own charges for the provision. This scheme is cost neutral to the Council as it is fully funded by the participating schools and is not part of the consultation.

32 The consultation will seek views on:

- A proposed increase to the daily charge for the provision of the standard and maintained Concessionary schemes which aligns to the Go North East Under 19 fare of £2.80 for a return journey from 2023/24 academic year.
- The future provision of the maintained Concessionary scheme, in particular the cessation of the scheme and options for implementation.

Priority 2 - Consider how the Council can more effectively and efficiently support the provision of journeys and passenger assistants on transport.

33 Single person journeys and passenger assistants are mainly provided for children with special educational needs and disabilities and mainly to pupils in special schools. They are usually taxis which is the most expensive form of transport. Furthermore, the transported pupil is often accompanied by a Passenger Assistant.

- 34 The number of contracts for transporting young people with Special Educational Needs to schools and post 16 settings has seen a substantial growth over recent years from 460 transport contracts in 2019 to 594 contracts in September 2022 (29% increase).
- 35 Over this time period, there has also been a significant increase in the number of children and young people with SEND receiving single person transport to schools and post 16 settings from 177 in February 2019 to 238 as at January 2023.
- 36 This increase in demand has corresponded to a significant rise in children with SEND who have an Education, Health and Care Plan with numbers increasing from 2,994 at the start of 2019 to 4,143 in November 2022 (38% increase).
- 37 The 2021 Review of Home to School Transport identified that:
- 41% (204) of SEND Transport Routes in County Durham were single person journeys compared to the benchmark of selected similar County Councils of 38%;
 - 93% (467) of SEND Transport Routes in County Durham had a passenger assistant, with the benchmark for selected similar County Councils being 64%;
 - Durham had a lower number of passengers per SEN Transport Route at 2.94 passengers per route. The benchmark for selected similar County Councils was 3.37 passengers.
- 38 The consultation will:
- Explore how best to ensure the optimum use of home to school transport resources, in particular the provision of single person vehicles and passenger assistants whilst discharging statutory responsibilities;
 - Seek views on the potential impact on the duration of transport journeys and the benefits of independence/ socialisation with peers.

Priority 3 - Develop independence skills of young people and Introduce an updated personal travel budget scheme.

- 39 Independent Travel Training (ITT) is a process that trains individuals on how to travel independently in a safe and responsible way. Travelling independently is a life skill that reduces isolation and dependency and opens opportunities for education, employment and enjoyment.

- 40 Many children with SEND currently receive door-to-door transport from the time they start school until the time they leave college and as such they do not gain the necessary travel and social skills that other children do. Whilst some children with SEND will not be able to travel independently, those that are able, should be given the opportunity to do so.
- 41 This presents an opportunity to develop travel training, which will involve tuition in timetable reading and practical coaching in catching buses and route familiarisation. The scheme can be extremely successful and in some authorities over 50 children every year are helped to travel independently. The scheme has the potential to produce better outcomes for children over the long term and will have benefits for their future mobility, social integration, and employability.
- 42 The Council is also considering options in respect of the introduction of Pickup Points. Pickup points are similar to bus stops, where the Council identifies designated pick-up and drop-off locations for the pupil to meet the bus or taxi rather than offering a door-to-door service. This reduces the time needed for the route to pick up the pupils and supports children and young people to become more independent and better prepares them for adulthood.
- 43 It will require pupils to walk a reasonable distance in order to access public transport close to where they live. The maximum distances will depend on a range of circumstances, including the age of the child, their individual needs and the nature of the routes they are expected to walk to the designated pickup or set down points.
- 44 In taking forward any plans to introduce Pickup Points the council will take factors such as safety and ease of access into account, as well as learning from examples where this has been successfully introduced.
- 45 A Personal Travel Budget is a sum of money provided by the Council to parents or carers of children with SEND who are eligible for travel assistance. The budget allows families to make their own arrangements for travel, thereby increasing choice and flexibility. It also provides an opportunity for the Council to reduce expenditure and management time associated with day-to-day arrangements. The External Review indicated that annual savings per pupil of approx. £6,000 are possible through the use of Personal Travel budgets.
- 46 In many local authorities, Personal Travel Budgets are typically offered to SEN passengers as they mainly represent those in receipt of special door to door transport arrangements. However, in Durham there is an increased opportunity to offer PTBs given the higher number of

mainstream passengers travelling by specially arranged contracted transport because of geography/ rurality.

- 47 The Council has only issued 10 Personal Budgets, which is 0.2% of those transport passengers. Other councils in the benchmark group achieve around 2.24% of all passengers. This is partly due to the current scheme only allowing parents to procure transport provision from transport contractors.
- 48 Both personal travel budgets and independent travel training are underdeveloped and not part of any strategic plan for the service.
- 49 The consultation will seek views on:
- The introduction of an independent travel training scheme to support independence and socialisation of young people;
 - The benefits of Personal Travel Budgets and how a simplified scheme can provide greater flexibility and incentive to parents to transport their own children to school and
 - The benefits and impact of the introduction of pickup points.

Priority 4 - Review Unsafe Walking Routes and Re-Routing

- 50 The Council provides free transport for pupils travelling to their nearest suitable school, who would not otherwise qualify due to being under the relevant distance threshold, where the shortest walking route(s) are assessed as unsuitable to walk. A suitable route is one on which a pupil, accompanied as necessary, can walk with reasonable safety to school. Assessing the suitability of routes takes into account the following:
- Traffic flow on the road and at crossing points;
 - Accident record of the route;
 - Visibility and sight lines;
 - Presence or absence of 'step-off' footway alongside the road;
 - Street lighting on route. The absence of street-lighting is not in itself sufficient to declare a route unsafe. DCC interprets this as requiring street lighting to be present at crossing points.
- 51 In July 2022, there were 491 pupils receiving free transport as a result of their walking route being assessed as unsuitable. There is the potential to make some of these unsuitable routes safe through highways works, with associated costs, enabling children to safely walk

to school, as well as providing wider benefits to the community such as helping to improve fitness and potentially contributing to reduced child obesity. Individual proposals for schemes to make unsuitable routes safe will be developed and consulted upon separately.

- 52 The Review of Home to School Transport identified opportunities for effectiveness and efficiency through an annual re-routing exercise. It is common practice amongst councils to evaluate opportunities for re-routing journeys to reflect changes in demand and other changes in the lead up to the new school year. The Council has implemented new IT software to support an exercise of this type.
- 53 Whilst this may require some changes to existing routes patterns, the review identified a potential efficiency of around 11% as the minimum that can be expected from schools with 5 routes or more. This would also have potential to release vehicles from existing routes, which would then be available to transport pupils as well as improving competition on tendering and reduce vehicles on the roads at peak times.
- 54 The consultation will seek views on:
- The introduction of improvements to existing unsuitable routes to make them safe for children to attend school without the need for Home to School Transport; and
 - The benefits of undertaking a comprehensive route review to deliver efficiencies and improvements in the provision of transport routes.

Priority 5 - Review potential procurement options for home to school transport services in relation to impact on value for money and associated competitive pricing.

- 55 As highlighted earlier in the report, the Home to School Transport Service is currently operating in an environment of increasing price inflation and contract costs with challenges around transport supply and market competition in some areas.
- 56 It is therefore pivotal to the delivery of the Service that the Council has a clear strategy and approach in relation to the procurement and supply of transport moving forward.
- 57 This will involve assessing opportunities to develop the supply base further and increase competition and deliver better value on routes and contracts.
- 58 The programme will benchmark current ways of working and identify potential alternative options for how the Council procures its home to

school transport services and associated competitive pricing to best meet travel needs.

- 59 The consultation will seek views on how the Council can best achieve value for money, whilst maintaining quality of service.

National Research by the County Councils Network

- 60 The findings from the Durham review have also been reflected in national feedback from the County Councils Network, who surveyed councils in 2021 to understand the impact on Home to School Transport demand and costs. The County Councils Network (CCN) published a review in March 2022 with main findings as follows:

- Costs of delivering services have increased over the last 5 years, due to economic factors such as inflation and wage rises, but also an increasing number of young people with complex needs requiring specialist transport;
- Expenditure on mainstream home to school transport has remained flat over the five years as councils have cut back to statutory minimum and fewer pupils are transported free;
- Councils have told CCN that transport providers are retendering for contracts early, and at prices up to 20% higher than last year;
- SEND home to school transport is arguably most affected by fuel price rises. Due to their specific needs, many of these pupils require taxis, private hire vehicles, or minibuses;
- The yearly average per head expenditure on SEND home to school transport pupils increased by £206 between 2018/19 to 2020/21;
- Due to statutory duties, LAs are paying significantly higher rates rather than risk a provider pulling out of routes altogether.
- In a separate CCN survey in relation to home to school transport for pupils with Special Educational Needs and Disabilities, over half of Councils responding (14) said it was 'unsustainable'.

Consultation Timeline

- 61 The consultation is taking place between 27 February 2023 and 12 April 2023 with a report to Cabinet in Summer 2023 with the outcome of the consultation.
- 62 The consultation is designed to be as inclusive as possible, engaging a broad range of stakeholders, including listening to the views of young

people. The impacts on groups of people with protected characteristics will continue to be reviewed as the project and proposals progress and the council will work with partners to identify and evaluate any mitigations to address adverse impacts.

Conclusion

- 63 The Home to School Transport Service is a statutory service which is highly valued by parents, children and young people who use the Service. However, it also represents a challenge to the Council in terms of effective management and control of costs.
- 64 Overall transport costs have been increasing for many years and are forecasted to rise further in future years. This is largely explained by increases in SEND and special transport demand, increasing contractor prices and increasing expectations.
- 65 The External Review undertaken in 2021 has identified potential opportunities to transform the services offered and to achieve sustainable, year on year cost efficiencies.
- 66 The consultation provides an opportunity to seek feedback from stakeholders in relation to the Council's proposals for a future Service.

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Appendix 1: Implications

Legal Implications

The Education Act 1996 and Education and Inspections Act (EIA) 2006 sets out the statutory duty on Local Authorities to make such travel arrangements as they consider necessary to facilitate attendance at school for eligible children.

The EIA 2006 defines eligible children as follows:

Statutory walking distances eligibility

The Local Authority must provide free transport for all pupils of compulsory school age (5-16) if their nearest suitable school is:

- Beyond 2 miles (if below the age of 8); or
- Beyond 3 miles (if aged between 8 and 16)

Special educational needs, a disability or mobility problems eligibility

The Local Authority must make transport arrangements for all children who cannot reasonably be expected to walk to school because of their mobility problems or because of associated health and safety issues related to their special educational needs (SEN) or disability. Eligibility for such children should be assessed on an individual basis to identify their particular transport requirements. Usual transport requirements (e.g. the statutory walking distances) should not be considered when assessing the transport needs of children eligible due to SEN and / or disability.

Unsafe route eligibility

The Local Authority must make transport arrangements for all children who cannot reasonably be expected to walk to nearest suitable school because the nature of the route is assessed as unsafe to walk.

Extended rights eligibility

The Local Authority is required to provide free transport where pupils are entitled to free school meals or their parents are in receipt of maximum level of Working Tax Credit if:

- The nearest suitable school is beyond 2 miles (for children aged 8 but under 11)
- One of their three nearest suitable schools, if that school is between 2 and 6 miles (for children aged 11 -16)
- The nearest school preferred on the grounds of religion or belief, for pupils whose parents adhere to that particular faith, where that school is between 2 and 15 miles (for children aged 11 – 16)

Finance

The Consultation includes proposals to increase the charge for the concessionary scheme to a commercial rate of £2.80 per day from the current daily rate of £1.63.

Consultation

The Consultation plan is included in the main report.

Equality and Diversity / Public Sector Equality Duty

A full Equalities Impact Assessment is attached at appendix 2 detailing potential impacts (both positive and negative) in relation to the protected characteristics of disability, age and sex (women). The assessment will be updated throughout and following the consultation to assess the impact of the proposed changes on the protected characteristic groups and to identify and evaluate any mitigations.

Climate Change

A Sustainability Assessment has been undertaken for the Home to School Transport Review and reported to CMT previously. This includes a specific response in relation to impact on Climate Change.

A Climate Change Impact Assessment has also been developed in respect of the Review of the Concessionary Scheme and Review of Unsafe Walking routes which concluded that proposals to change existing arrangements for the provision of home to school transport have the potential to impact on climate change through reducing transport routes and therefore carbon emissions. The consultation must be careful to consider any potential increase in the use of personal vehicles.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

There is a risk of challenge if the consultation and equalities impact are not undertaken in accordance with legislative requirements.

Procurement

The consultation will seek views on how the Council can best procure home to school transport services which have an impact on value for money and maintain quality of service.