

Report to: **Cabinet**

Date: **30 January 2007**

By: **Director of Law and Personnel**

Title of report: **Executive Review of Passenger Transport – interim report on denominational home to school transport**

Purpose of report: **To consider the work of the Executive review undertaken so far and to consider specific proposals on denominational home to school transport.**

RECOMMENDATIONS

Cabinet is recommended to:

- 1. note the work of the Executive Review of Passenger Transport Board carried out to date and endorse its objectives and programme of work from January to May 2007;**
 - 2. consult on the three options for the future of discretionary home to school transport to denominational schools (paragraph 7 of the attached report of the project Board); and**
 - 3. agree to progress ongoing discussions between Children’s Services and the Diocesan authorities to establish whether there are additional or alternative savings in the provision of home to school transport.**
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1. Financial Appraisal

1.1 East Sussex County Council spends in the region of £13m per annum providing transport for statutory pupils, both special educational needs (SEN) and mainstream, Adult Social Care clients and the public including non statutory pupils. The Transport and Environment (T&E) Passenger Transport team (PTT) has identified annual inflationary increases on existing contracts averaging 5% and newly tendered contracts show price increases of 15% to 20%.

1.2 All three budgets areas are under pressure to identify efficiencies. The budgets for Children’s Services Home to Schools Transport (HTST) and the Adult Social Care transport budget have enjoyed a degree of protection whereas the T&E passenger transport budget has been reduced annually for several years. This, coupled with operators’ commercial decisions, has led to a reduced level of service.

2. Supporting Information

2.1 Since October 2006, an Executive Review Board for Passenger Transport comprising Cllrs Reid (Chairman), Glazier and Lock has met and worked towards the following objectives:

- To assess and make recommendations on changes deemed necessary and feasible to provide a sustainable passenger transport service for East Sussex.
- To analyse opportunities for a revised ‘service offering’.

- To assess the changes needed to increase the efficiency of passenger transport services.
- To maximise income generation from passenger transport where possible.

2.2 The Board has identified a range of specific issues to investigate with a view to reporting its findings and recommendations to Cabinet in June 2007 and earlier where deadlines need to be met to realise benefits. The key policy issues identified so far are:

- Home to school transport, in particular transport to denominational schools (Appendix 1)
- Mileage allowances for school travel paid to parents instead of providing transport directly (reporting to Cabinet on 13 March 2007)
- Feasible alternatives to supporting uneconomic, mainly rural, passenger services
- Ensuring Council departments and others properly assess the full transport impact on any proposed changes of policy.
- The budget for special education needs transport.

2.3 Additionally the Board will investigate a range of efficiency savings and income generation possibilities.

2.4 Appendix 1 is an interim report of the board on denominational home to school transport. In order for any budget savings to be realised in 2008/09 it is necessary to make a decision now on whether to consult on the options in this report.

3. Recommendations

3.1 Cabinet is recommended to note the work of the Executive Review of Passenger Transport Board carried out to date; endorse the Board's objectives from January to June 2007 and to consider the Board's recommendations on denominational home to school transport in Appendix 1.

ANDREW OGDEN
Director of Law and Personnel

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Local members: All

BACKGROUND DOCUMENTS:

- 1) Project Initiation Document for the Executive Review of Passenger Transport
- 2) Report of the scrutiny review of home to school transport – August 2006
- 3) Minutes of the Executive Review of Passenger Transport Board – 9 January 2007

Appendix 1: Transport to denominational schools

Interim report of the Executive Review Board on Passenger Transport 30 January 2007

1. The Legal Position

1.1 Legislation requires local authorities to provide free transport for pupils living beyond the statutory distance limits (two miles for children aged under eight, three miles for children age eight or over) from the designated school. The designated school means either the school suitable to the child's age, ability and aptitude which serves his/her area, or if there is more than one school, the nearest school to his/her home which is suitable for the child and at which a place is available.

1.2 In addition, local authorities are able to exercise discretion and provide assistance with transport for children who do not qualify automatically for support, where they consider it necessary to do so. This includes where a route is deemed unsafe for an accompanied child.

1.3 Legislation also requires local authorities to consider whether to provide assistance by deeming a denominational school as the designated school where the child is attending the school in which the religious education is that of the religion or denomination to which the parent adheres.

2. The current discretionary policies in East Sussex

2.1 In addition to providing statutory transport, assistance is given in cases where:

- parents or the child have a medical condition affecting walking to and from school;
- a route has been deemed unsafe by traffic safety officers; or
- parents decide to send their child to a non designated school and the distance to that school and the designated school are beyond the statutory distance. This policy is subject to a separate review.

2.2 In the case of children attending denominational schools assistance is given to the nearest or designated school where the distance between home and school is more than two/three miles. The child also has to meet the religious/denominational requirements.

2.3 Currently 1,334 East Sussex children receive help from the County Council with their transport costs to denominational schools. This excludes children attending such schools because it is the local designated school. The cost of this transport is £585,000. A breakdown of costs and the number of children by school is attached as annex 1.

3 The national position

3.1 Some local authorities have already taken action either to withdraw transport provision or to introduce a charge for the service for denominational school pupils. The position was well researched by a home to school transport scrutiny review in August 2006. This work revealed a mixture of policies varying from total withdrawal of providing any assistance with transport to providing part assistance:

- Hampshire County Council decided to introduce a charge following consultation. Parents will be required to contribute £1 per day (representing approximately 45% of the full cost) towards the costs subject to parental income.
- West Sussex has announced that consultation will take place on a change of policy. Consultation will be taking place on two options which would result in either total withdrawal of support or a policy whereby parents will be expected to make a contribution subject to any requirements of the Education and Inspections Act 2006.

4. The Education and Inspection Act 2006

4.1 The Education and Inspections Act which received Royal Assent in November 2006, has significant implications for the provision of school transport, particularly for lower income families. It increases the statutory duty of the County Council in respect of providing or funding transport to schools.

4.2 The Act extends the right of free transport to low-income groups defined as those eligible for free school meals or in receipt of maximum working tax credit:

- for primary pupils to the nearest school more than two miles from home with effect from September 2007;
- for secondary pupils to one of three nearest schools between two and six miles from home with effect from September 2008
- for low income groups to include secondary age children attending the nearest school preferred on the grounds of religion or belief between 2 and 15 miles. In East Sussex some children travel over 20 miles to attend a denominational school and are therefore not covered by this clause.

4.4 Guidance is awaited as to how the new legislation will operate. It is understood that the Government is providing resources to meet the costs related to the additional children who will qualify for assistance as a result of the new Act.

5 A review of the current policy

5.1 The review Board held a witness session on 9 January 2007. Evidence was taken from the Diocesan authorities, members of the Scrutiny Review on Home to School Transport (August 2006), a Member of the Youth Parliament and contributions from other members of the Council. Several key issues emerged.

5.2 In East Sussex there has been previous debate about supporting choice of school and whether it is appropriate to fund transport where children attend a school other than their designated school. For children attending denominational schools, there are issues about supporting children of specific denominations whilst not supporting other denominations and whether those parents who specifically do not want a church school, say, should receive support to go elsewhere. Denominational representatives argue that catchment areas and distances travelled are inherently larger for denominational schools and as such it is not unfair to expect the additional transport provision to be made.

5.3 Most local authorities supported transport to denominational schools when the 1944 Act took effect. This was seen by the churches as a means for local authorities to support denominational education and reflected the contributions the churches make to education including provision and upkeep of buildings. However, it

has always been recognised this is a discretionary policy with no legal requirement to provide assistance.

5.4 This discretion is reconfirmed in the Education and Inspections Act which contains no requirement that denominational schools should be regarded as the designated school for children attending such schools. However, the Secretary of State recently expressed a 'hope that local authorities will not disturb well-established arrangements for denominational transport, particularly where they are associated with local agreements or understandings about the siting of denominational schools'.

6. The Board's interim conclusions

6.1 The County Council consulted on a proposed withdrawal of support for denominational home to school transport in 2000/01. Approximately 3,000 responses were received mostly opposing a change of policy. Given the strength of feeling a decision was taken not to proceed with such a change in policy at that time. Since then, a number of key factors have changed.

6.2 High transport cost inflation combined with the current financial pressures on the Council's budget now means that unless action is taken to reduce estimated passenger transport overspends the current level of supported passenger transport in East Sussex is unsustainable. The Board intends to consider every possible option to make efficiencies and to ensure the most effective use of the passenger transport budget overall. Any savings achieved means that the Council can make service improvements elsewhere and can ensure more effective and sustainable core services that have wider benefits.

6.3 The recent legislation and associated guidance is complex. The County Council retains a strategic role and responsibility for planning efficient home to school transport and will shortly be expected to develop a strategy to take account of every individual child's school journey.

6.4 It is appropriate that discretionary home to school transport funding is reviewed but not just to make financial savings. There are arguments that the current policy is unfair and benefits some parents at the expense of others. However, these arguments are controversial; denominational schools argue that they provide wider benefits that outweigh the discretionary transport costs paid by the local authority.

6.5 There would be difficulty justifying the removal of assistance from families currently receiving support because those children were admitted to school against a policy of financial support being available with no indication it might be withdrawn.

6.6 The effect of the Act would be that instead of eventually saving the total cost of denominational home to school transport (approximately £585,000) the Council would be required to support certain children. Allowing for 10% of low income families continuing to qualify for support in accordance with the new Act, gross approximate savings could be accrued as follows:

	2008/09 £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/5 £
Primary	6,500	13,000	19,500	26,000	32,500	39,000	45,400
Secondary	96,300	192,600	288,900	385,200	481,500	481,500	481,500
Total	102,800	205,600	308,400	411,200	514,000	520,500	526,900

6.7 Various factors might reduce the actual savings achieved:

- Increased 'designated school' transport costs resulting from more parents opting to send their children to a local or designated school.
- The withdrawal of assistance to children attending denominational schools could result in a change to the balance of the intake; that in turn could place additional pressure on other schools, or there could be a shortfall of places elsewhere. However, experience of other local authorities is that the withdrawal of assistance towards denominational home to school transport has had little impact on parental preference.
- Currently most children who qualify for support use the public service network or hired vehicles. It is possible that the non provision of tickets for use on these modes of transport will lead to some parents making alternative arrangements including the use of cars. This could be addressed through schools own school travel plans.
- The County Council may have to consider providing additional subsidy to ensure the continued provision of bus services if the policy leads to a reduced demand on certain routes.
- It is possible that more parents will ask for exceptions to the policy based on their individual circumstances thus increasing the amount of work undertaken by the Transport and Student Support Panel.

6.8 The Board considered that there was now a need for ongoing discussions between Children's Services and the diocesan representatives with the Board receiving regular updates on progress during the course of this review.

7. Recommendations

7.1 The review Board recommends the following three options to be put to consultation from February to March 2007. This will enable a decision to be reached in May 2007 with implementation with the 2008/09 admissions round if options 1 or 2 are adopted.

Option 1: Withdraw all discretionary school transport support progressively to children attending denominational schools starting with the intake for 2008/09.

Option 2: Continue to provide some level of discretionary school transport support to children attending denominational schools. This could be:

- (1) Assistance for younger siblings in families as they progress through education. It is not possible to cost this option as it is not known where families have younger siblings.
- (2) Assistance towards transport costs incurred by families above a threshold amount. This might be based on the current charge for vacant seats on hired vehicles which is £520 per annum. The cost of most transport per child is below this level but such a policy would reduce the full effect of the savings by about £75,000. In addition there would be additional administrative costs in refunding to parents the additional costs of about £5,000.
- (3) Allowance for large families with, say, three or more children e.g. provide free assistance for the third and additional children.

- (4) Financial assistance to schools and leaving them to make any arrangements they feel appropriate. This would reduce savings depending on what contribution is made and the County Council would still need to make provision for low income families.
- (5) Assistance for low income families irrespective of distance travelled noting that there are some children travelling long distances but the number affected is likely to be small.
- (6) Different policies for primary and secondary sectors given that the new legislation only applies to secondary schools.

Option 3: Take no action in which case no savings will be achieved.

7.2 Consultees should include:

- Parents of all children currently attending schools in East Sussex
- Parents whose children are provided with free transport attending aided schools in West Sussex, Brighton & Hove and Kent
- Catholic and Church of England Diocese covering East Sussex; denominational schools in Kent and in any other affected neighbouring local authorities
- Head teachers and governing body chairs of East Sussex schools
- District, borough, parish and town councils
- Neighbouring county and unitary authorities
- Primary and secondary strategic boards
- County councillors and local Members of Parliament; Members of the Youth Parliament.

7.3 Leaflets seeking views on options should be widely disseminated and the County Council website used to elicit responses; the Diocesan authorities should be invited to comment on the consultation literature before it is released.

7.4 Ongoing discussions should be progressed between Children's Services officers and the Diocesan authorities to establish whether there are additional or alternative savings in the provision of home to school transport; the Chairman of the Board to review progress with these discussions at key stages from January to June 2007.

7.5 It is clear that the new Act will have cost implications in its own right. There are other factors that could potentially reduce the level of savings available and the consequences of each option on other activities should be carefully analysed before a final decision is taken. It is proposed that the final decision on which option to select be taken by Cabinet on 1 May 2007.

TONY REID
Chairman

Annex 1: Costs of transport to denominational schools

		Freedom tickets		Commercial bus tickets		Hired Coaches and taxis		Parent mileage		Rail tickets		Total	
		Number of pupils	Cost	Number of pupils	Cost	Number of pupils	Cost	Number of pupils	Cost	Number of pupils	Cost	Number of pupils	Cost 2005/06
Primary													
Annecey Catholic Primary	Seaford	1	420.00			10	13,107	1	330.60			12	13,857.60
Our Lady of Lourdes Primary	Rottingdean	21	4,410.00	19	3,772.60							40	8,182.60
Rodmell C of E Primary	Rodmell					11	11,495					11	11,495.00
St Augustines Catholic Primary	Tunbridge Wells							1	661.20			1	661.20
St Josephs RC	Haywards Heath							1	330.60			1	330.60
St Mary Magdalene's Catholic Primary	Bexhill							8	2,399.70			8	2,399.70
St Mary's Catholic Primary	Crowborough							5	1,736.60			5	1,736.60
St Pancras Catholic Primary	Lewes							1	495.90			1	495.90
St Peters RC Primary	East Grinstead							2	991.80			2	991.80
St Philip's Catholic Primary	Uckfield							5	3,059.00			5	3,059.00
St Thomas a Becket Infant	Eastbourne							11	2,563.10	1	99	12	2,662.10
ST Thomas a Becket Junior	Eastbourne	9	3,780.00					2	412.30			11	4,192.30
St Wilfreds Catholic Primary	Burgess Hill							1	414.20			1	414.20
Secondary													
Bennett Memorial Diocesan	Tunbridge Wells	42	17,283.00	88	50,622.00					9	3,189	139	71,094.00
Cardinal Newman Catholic	Hove	78	30,754.50	9	1,330.00							87	32,084.50
St Gregory's Catholic Comprehensive	Tunbridge Wells	20	7,444.50	71	41,855.00					2	1,157	93	50,456.50
St Paul's Catholic College	Burgess Hill					145	133,000					145	133,000.00
St Richard's Catholic College	Bexhill	439	176,704.50							320	71,280	759	247,984.50
The Bishop Bell C of E	Eastbourne	1	420.00									1	420.00
		612	241,636.50	187	97,579.60	166	157,602.00	38	13,395.00	332	75,725	1,334	585,518