

## Finance tables and summary cohort information

### 1. Breakdown of total savings estimates – summary including cohort numbers

Potential savings per year based on 2014/15 annual cost estimates are summarised below:

Financial Year	2016/17*	2017/18	2018/19	Total (3 year period)
<b>Estimated total savings</b> resulting from reduction in support for post-16 students with SEND student (20% reduction in new starters, contribution of £608/£304** for post-16 and pre-school students)	£118,441	£290,502	£350,524	£759,467
<b>Estimated number of pre-school children and post-16s</b> with SEND impacted (new starters)	94	85 more	42 more	

### 2. Breakdown of total savings estimates for each proposal – higher detail

Financial Year	2016/17*	2017/18	2018/19	Total (3 year period)
Post-16 SEND				
(i) SEND students (20% reduction for Y12-16 new starters)	£81,630	£240,088	£300,110	£300,110
(ii) Plus charge at £608 (if 20% fewer new starters)**	£11,281	£15,042	£15,042	£41,364
(iii) And £304 charge for LIF (if 20% fewer new starters)	£23,530	£31,373	£31,373	£86,275
<b>Total for (i) - (iii) - post-16</b>	<b>£116,441</b>	<b>£286,502</b>	<b>£346,524</b>	<b>£749,467</b>
(iv) introduce charge for pre-school cases (£608/£304)	£2,000	£4,000	£4,000	£10,000
<b>Total for (i) - (iv) - post-16 + pre-school</b>	<b>£118,441</b>	<b>£290,502</b>	<b>£350,525</b>	<b>£759,464</b>

\* adjusted for part-financial year with changes for new starters from September 2016 (68% of full year)

\*\*additional saving on top of expected saving from current £370 charge

- 2.1 The estimated totals for each financial year relate to the potential savings against an estimate for total 2015/16 costs if no changes were made.
- 2.2 Outturn for 2014/15 was £1.5m for 216 students with SEND (2014/15 estimate), including 10 pre-school children at £40k per year.

- 2.3 Changing the SEND travel assistance policy so that transport is offered only at the start and end of a college day is estimated to produce additional savings of between £13k and £25k of savings in 2017/18 assuming a 20% reduction across the budget (with approximately one-third of that in the 2016/17 financial year).
- 2.4 We have been mindful of the fact that the MTFP already includes savings that relate to SEND travel in 2016/17 (£46k saved through an increase in the post-16 SEND charge and a total of £378k via the iMPower recommendations against the entire SEND Travel budget (statutory and discretionary) of which post-16 used approximately 23% in 2013/14. We will be asking finance to ensure that there is not a duplication of savings; and if this does occur we will make a deduction from total savings.

### **3. Notes and assumptions for savings estimates**

- 3.1 It should be noted that these figures are estimated from a December 2014 snapshot which was used to generate total annual costs for the 2014/15 academic year, and then adjusted for the 2015/16 financial year (during which the changes will be implemented with approximately 70% of the school travel days remaining).
- 3.2 It should also be noted that the costs provided per SEND student using hired transport (taxi or minibus) were apportioned, i.e. an appropriate share of the total cost of that particular vehicle run. This has been used to create a total for savings made if that particular person no longer receives a seat and if some runs are ceased completely – however there is a risk that some of these seats may run empty and savings will be less than the estimates shown – these are therefore maximum savings.
- 3.3 If policy changes were introduced from September 2016, it is proposed that only those pupils starting a post-16 course in September 2016 should be affected, based on fairness and the legitimate expectations of young people and parents who would have chosen a school or college based on the Council's admission criteria and transport policy at the time of entry to the school or college. The supported cohort currently ranges from Y12 to Y16, with SEND students supported for courses of up to 3 years.
- 3.4 In addition, changes would be introduced at the start of September (and savings would result from around 130 school travel days from a total of 190 within the 2015/16 financial year). Therefore changes to discretionary provision would not result in full expected savings until the 2018/19 financial year.
- 3.5 There are also potential associated savings in staffing cost in both CSD and CET teams, although this needs further consideration as more time may need to be invested per successful application, particularly at the start of the changes. CET have indicated that they think staff savings are unlikely as they are losing one FTE who deals with LIF in any case, and a 20% reduction in SEND clients would be a negligible reduction in resources as post-16 SEND pupils are the easiest group to manage; they generally stay on existing transport where there is FE provision at the school or transport is arranged for colleges at the end of the summer when normally the bulk of authorisations have been processed.
- 3.6 CSD have identified that possibly a 0.5FTE post may no longer be needed, however some of this may need to be redirected as support for assessments and authorisation of travel applications.

### **4. Post-16 SEND travel assistance contribution**

- 4.1 Families of new students receiving SEND travel support from September 2014 have been asked to contribute £370 towards the full costs, unless assessed as low income.
- 4.2 The current annual cost for a Freedom Pass for bus travel is £608, and linking the contribution to this cost appears a logical step to put us in line with other authorities. Table 1 shows the estimated savings made if ESCC increased the full rate from £370 to £608, based on an anticipated 20% reduction in new cases.
- 4.3 Based on current figures, the expected income from the current £370 charge in the 2016/17 financial year for non-LIF only would be £29,230. Table 1 shows both the total income and the additional income above that expected from the £370 charge.

**Table 1: Estimated additional income from increase in charge / new charge for LIF**

		<b>£608 charge (non-LIF)</b>	<b>£304 charge (LIF)</b>	<b>Total Income £608 / £304</b>
2016/17 financial year	Total income	£37,588	£23,530	£61,118
	Additional savings above £370 charge	£11,281	£23,530	<b>£34,811</b>
2017/18 financial year*	Total income	£38,426	£31,373	£69,798
	Additional savings above £370 charge	£15,042	£31,373	<b>£46,414</b>

\*and beyond

- 4.4 The estimated additional savings made by ESCC increasing the charge to £608, and introducing a £304 charge for low income families is £35k in 2016/17 and then £46k in 2017/18 and for subsequent years.
- 4.5 It has been assumed that the new level of contribution would be expected from the families of all students, including those on low incomes (not just new starters). It would be highly complex to administer parallel payment systems for different years of entry as the new students come through over 3 entry years.
- 4.6 It has been noted that if families of students who are already travelling prior to September 2016 are to be required to make an increased or new contribution then the Authority must pay due regard to alerting them to this with as much notice as possible; by writing to them with this information.

**5. Third Year savings and numbers impacted (based on 2014/15 cohorts)**

**Table 2: Percentage savings per year due to reduction in support / increased charge for discretionary SEND travel assistance**

	2016/17	2017/18	2018/19
Percentage of the total HTST budget plus Travel budgets (£10.9m)	1.1%	2.7%	3.2%
Percentage of the discretionary element of the budgets (1.74m)	6.8%	16.7%	20.1%

So we anticipate 3.2% saving against total budget by third year if proposed changes to support for post-16 students and pre-school children with SEND were to be implemented from September 2016.

**Table 3: Approximate numbers impacted by reduction in support by third year (2018/19)**

Number of CYP impacted by third year of the changes*	Number of pre-school / post-16 currently transported	Number impacted as % of discretionary SEND cohort	Number of ALL SEND students currently transported	Number impacted as % of total SEND cohort
41	216	19%	1084	3.8%

\* estimated using 2014/15 figures

Of the 216 anticipated SEND students (206 post-16 and 10 pre-school), there will be a reduction in number of post-16 approved cases by approximately 20% - therefore impacting 41 students. The final percentage of the discretionary cohort impacted is only 19% as the policy for pre-school children will

remain the same (exceptional cases only) and their numbers will therefore not be affected by the changes.

It should be noted that 80% of post-16 SEND students continue to be supported, but that all discretionary SEND travel will be subject to an increase in the contribution towards travel.

## 6. Additional calculations requested by the Scrutiny Review Board (15 October 2015)

Members asked that a further calculation showing the adjustment needed for increasing the higher contribution towards transport from the proposed £608 to a higher level, to allow the Council to reduce the amount charged to low income families down from the proposed £304 – whilst still generating the same level of saving.

Under current estimates of the proportions of LIF / non-LIF, an increase to £750 would mean that low income families would need to be charged a reduced rate of £271 per year (to the nearest pound). This is shown below in Table 4, which can be compared with Table 1.

**Table 4: Estimated additional income from charges of £750 / new charge for LIF**

		<b>£750 charge (non-LIF)</b>	<b>£217 charge (LIF)</b>	<b>Total Income £608 / £304</b>
2016/17 financial year	Total income	£44,319	£16,796	£61,115
	Additional savings above £370 charge	£18,012	£16,796	<b>£34,808</b>
2017/18 financial year	Total income	£47,400	£22,394	£69,794
	Additional savings above £370 charge	£24,016	£22,394	<b>£46,410</b>

The tables below summarise the different income levels, also and shows that if we continued to allow low income families to be exempt from the contribution whilst other families are charged £608, a saving of £86k over the three years 2016/17 – 2018/19 would need to be found from elsewhere.

**Tables 5 and 6: comparison of contributions and income over 2016/17-2018/19**

<b>Income Source (via contribution)</b>	<b>2016/17*</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Total (3 year period)</b>
<b>£608 for non-LIF</b>	£11,281	£15,042	£15,042	<b>£41,364</b>
<b>£304 charge for LIF</b>	£23,530	£31,373	£31,373	<b>£86,275</b>
<b>Total £608 / £304</b>	<b>£34,811</b>	<b>£46,415</b>	<b>£46,415</b>	<b>£127,639</b>

<b>Income Source (via contribution)</b>	<b>2016/17*</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Total (3 year period)</b>
<b>£750 for non-LIF</b>	£18,012	£24,016	£24,016	<b>£66,044</b>
<b>£217 charge for LIF</b>	£16,796	£22,394	£22,394	<b>£61,584</b>
<b>Total £750 / £217</b>	<b>£34,808</b>	<b>£46,410</b>	<b>£46,410</b>	<b>£127,628</b>