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| Report to: | Lead Member for Learning and School Effectiveness |
| Date: | 12 November 2015 |
| By: | Director of Children's Services |
| Title of report: | Proposed changes to discretionary Low Income Families (LIF) and Further Education Link transport provision from the 2016/17 academic year |
| Purpose of report: | To ask the Lead Member to make a decision on whether to approve the proposed reduction in financial support for 16-19 year old students from low income families and ceasing FE Link transport |

RECOMMENDATION:

Lead Member is asked to approve the implementation of the proposals set out in 1.2 of this report in order to reduce spend on the discretionary home to school transport (HTST) budget from the start of the 2016/17 academic year.

1 Background

1.1 It is anticipated that East Sussex County Council (ESCC) will need to reduce expenditure by £70-90 million between 2016/17 and 2018/19 and all areas will need to be considered. Despite the raising of the participation age, transport support to get 16-19 year olds to post-16 provision remains discretionary. It is recommended therefore that the ESCC policy is changed in order to make significant reductions in our discretionary HTST spend.

1.2 The proposed changes, which will apply to new starters from September 2016, are:

- a) to withdraw the current offer of free or subsidised travel (travel passes, travel grants, free places on school coaches) for 16-19 year old sixth form or college students from low income families ;
- b) to cease provision for a small number of 16-19 year old students who live in rural locations and who receive free 'link transport' to the nearest suitable bus stop or train station ; and
- c) to retain 25% of the former budget (£60k) to provide a hardship fund, for access by the most disadvantaged young people, in order to ensure that they can still get some support to help them get to sixth form or college.

1.3 Potential savings and the numbers of students impacted (post-16 LIF) are summarised in **Appendix 1**. It is estimated that additional year on year savings against the 2014/15 forecast, if all elements were to be approved and maximised are potentially: £55k in 2016/17, £164k in 2017/18, and £182k in 2018/19. These totals accumulate to reach £401k of total savings over 2016/17 - 2018/19. Further to this, FE Link transport is currently offered to only three non-means-tested young people and will result in a saving of approximately £4-5k per year (full year effect, from the second year of implementation).

2 Supporting information

2.1 The public consultation on the changes was open from 10 June until 11 September 2015 following the Lead Member decision to consult on 8 June 2015.

2.2 A working group was established to discuss the potential risks and mitigations prior to the consultation launch, and consulted with post-16 providers.

2.3 Schools and colleges were informed of the consultation and asked to circulate a summary letter to parents. The Youth Cabinet also held two workshops to discuss the proposals and potential impact of removal of LIF/FE Link support. A press release on 11 June 2015 resulted in wide coverage of the story to increase the response rate (**Appendix 15**).

2.4 There were 26 responses to the LIF / FE Link survey. A summary is shown in **Appendix 2**. The most predominant concern was that, as a result of the proposed changes, young people may not continue in post-16 education, especially regarding vocational courses.

2.5 A further summary paper from the Youth Cabinet is included as **Appendix 3**. Their key concern was how young people could access the Hardship Fund. They also highlighted the mismatch between removing this support following the raising of the participation age.

2.6 Meetings with school sixth forms and colleges occurred on 19 May and 8 July to raise awareness and discuss potential impact and mitigation as part of ongoing consultation. The proposal to retain 25% of the budget as a Hardship Fund was welcomed by the colleges. It is now proposed that the fund is shared between the 5 providers with the highest numbers and costs in 2014/15, giving a higher share to Plumpton College and DV8 to reflect their particular cohorts and issues. A full summary of the consultation process and rationale in reaching this recommendation in partnership with post-16 providers is included in **Appendix 4**; with draft guidance for the Hardship Fund as **Appendix 5**. The guidance advises that the Hardship Fund may be reduced if further cuts necessitate this. The response from Plumpton College which influenced this decision to recommend the weighting of the Hardship Fund is included in **Appendix 6**.

2.7 **Appendix 7** sets out the comments of the Scrutiny Review Board which met on 15 October 2015, with a response from the Children's Services Department.

2.8 Information on the level of EFA Bursary funding and other financial support available for school sixth form students from low income families is provided in **Appendix 8**, .,

2.9 **Appendix 9** summarises the level of transport support for post-16 LIF students by county councils set against their level of 16-19 year olds who are Not in Education, Employment or Training (NEET). This does not show a correlation between free transport and NEET figures.

2.10 Some concerns have been expressed in **Appendix 10** regarding the viability of specific bus services due to reduced passenger numbers.

2.11 A letter from Wealden MP Nusrat Ghani to Councillors Bennett and Tidy, and a response from ESCC are attached at **Appendix 11**.

3 Key risks and mitigation

3.1 Reducing discretionary transport support carries a number of risks, which are outlined in **Appendix 12** with details of the potential impact and mitigation.

3.2 Full Equality Impact Assessments (EIAs) have been undertaken which summarise potential impact on disadvantaged groups, and suggest mitigation; these are included as **Appendix 13 (LIF)** and **Appendix 14 (FE Link)**.

3.3 The key mitigations should the proposed changes be implemented are summarised on page 14 and 15 of the LIF EIA (**Appendix 13**).

4 Conclusion and reasons for recommendations

4.1 As part of the Children's Services Department's response to the Council's Medium Term Financial Plan the recommendation is that the Lead Member agrees to all the changes listed in item 1.2. Potential impact will be mitigated as detailed in the EIA (**Appendix 13**).

STUART GALLIMORE
Director of Children's Services

Contact Officer: Lou Carter
Tel. No. 01273 482809
Email: louise.carter@eastsussex.gov.uk

LOCAL MEMBERS

All

APPENDICES

- Appendix 1 Summary of cohort numbers and savings
- Appendix 2 Response to the online survey
- Appendix 3 Summary response from the Youth Cabinet
- Appendix 4 Consultation with post-16 providers
- Appendix 5 Guidance for the Hardship Fund
- Appendix 6 Response from Plumpton College
- Appendix 7 Scrutiny Board minutes and response
- Appendix 8 EFA bursaries and other support
- Appendix 9 Other LAs NEET comparison
- Appendix 10 Potential impact on bus services
- Appendix 11 Letter from MP Nusrat Ghani
- Appendix 12 Risks
- Appendix 13 Equality impact assessment (LIF)
- Appendix 14 Equality impact assessment (FE Link)
- Appendix 15 Press releases