

| Ref | Finding | Potential Risk Implication | Risk | Agreed Action | Target date | Owner | Progress Update | Status |
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| 1 | <p>Governance Arrangements (Corporate)</p> <p>Overarching roles and responsibilities in relation to HTST are not sufficiently clearly set out.</p> <p>No service level agreement (SLA), or similar agreement, is in place to define the respective roles and responsibilities for CET and CSD. There is evidence that there has been one, but it appears to have fallen into disuse. This should be seen in the context that HTST cost drivers (school placements, needs assessments and transport allocations, procurement and monitoring) sit across two divisions in CSD and one in CET. The budget holder sits in the Communication, Planning and Performance Division of CSD and has no control of the activities at the start of the process (school placements) or of the expenditure incurred following the assessment of need, i.e., the procurement and allocation of transport. The division of responsibilities across the Council means that no one individual is accountable for the end-to-end process and officers with no responsibility for the HTST budget make decisions that affect it.</p> | <p>With no agreement in place setting out the respective roles and responsibilities of each department, as well as the requirements each department has of the other (e.g. the nature and extent of management information necessary to deliver its part of the service), there is a reduced likelihood that service objectives are delivered or that the budget is controlled.</p> | Medium | A new SLA and Terms of Reference for the Board will be developed and presented to the Board for approval. | 17/07/2025 | GL and MJ | Updated ToR has been created and circulated ahead of 20 Oct Meeting | Complete |

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| <p>To provide a measure of oversight, a Home to School Transport Board is in place, comprising senior representatives of CSD and CET, to oversee HTST. Terms of Reference (ToR) are in place for the Board, though they do not state how the Board is made up, which would be expected to include the balance between representatives of each department.</p> <p>The ToR took more than a week to locate, do not appear to be in regular use and are out of date. They reference Transport and Environment, rather than CET, and contain a requirement to “<i>monitor the effectiveness of any protocols with other stake-holders introduced following the disbanding of the Learning and Skills Council</i>”. The Learning and Skills Council closed in 2010.</p> <p>Further indication that the ToR are not in regular use is that one of the functions they set out is the monitoring of the effectiveness of the SLA, which no longer exists.</p> | <p>Without up to date and comprehensive terms of reference, the remit and authority of the Board may be unclear, and its activities might not be constructively focussed, leading to inefficient or ineffective practices remaining unresolved.</p> | | <p>Once approved, they will be implemented and monitored by the Board.</p> | | | | |
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| 2 | <p>Governance - CET</p> <p>Not all processes in CET are supported by guidance. This is due, in part, to recent changes that have been introduced, including the development of a practice to offer Personal Travel Budgets (PTB) to families as a first option, and only provide funded transport if this is declined.</p> <p>Whilst processes appear to be largely understood in practice, the lack of clear guidance does not provide a sound basis for good governance or ensure appropriate resilience in the event of the loss of key staff. There have been instances of control lapses that may have been facilitated by the lack of clear guidance. See refs 6, 8, 10 and 11.</p> <p>However, there is evidence that the teams in CET are looking to document their processes and controls and develop supporting guidance.</p> | <p>Without clear guidance and communicated roles and responsibilities, there is an increased risk of error, which may result in financial loss.</p> | Medium | <p>Guidance will be developed to accompany key cost control processes within CET.</p> | 31/08/2025 | GL | <p>This work has commenced and Principal Officers are now drafting all operational processes with the support and guidance of HoS and TM. This will be completed by 30/11/25 - slippage as a result of peak summer caseload coupled with staffing shortages within the team.</p> | On track |
| 3 | <p>Governance - CSD</p> <p>Whilst the SEND Assessment and Planning Team has guidance that reflects its current structure, guidance on the application of the HTST Policy, in use by the SEND Transport Team, is out of date, reflects a CSD structure that is no longer in place and is not always clear.</p> | <p>Without clear guidance on the application and approval of payments outside the scope of the Council's HTST Policy, there is an increased risk that unnecessary costs are incurred, leading to financial loss to the Council.</p> | Medium | <p>The Council's HTST Policy will be updated to reflect recent changes to children's entitlement.</p> | 31/08/2025 | MJ | <p>Policies updated. Sent back to Legal for review and approval.</p> | On track |

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| | <p>To bridge the gap between this figure, and its expected level of spend (£24.75m), the budget in CET included income of £983k under contingency, to yield a net budget of £23,767m. No such income was expected, and this was described simply as a balancing figure, though it should be noted that, as CET recharges all HTST costs, it is CSD that shows the over-spend. One possible cause for the imbalance is that cost information, provided by modelling, is not received in time to inform the Council's budget.</p> <p>By artificially inflating its income budget, the Council effectively built in an over-spend of nearly £1m into its budget before the year began.</p> | missed, depriving the Council of the early intelligence it needed to balance its budget through savings in other services. | | <p>In budget-setting for 26-27, we will seek either:</p> <p>a) to agree at Board that CET set their expenditure budget to reconcile with CSD's budget, so there is no need for a balancing figure, or</p> <p>b) to produce a forecast early enough for CSD to submit a pressure bid.</p> | | | | |
| 5 | <p>Transport Needs Assessments</p> <p>Once entitlement to home to school transport is established, but before transport is arranged for pupils with Special Educational Needs and Disabilities (SEND), a detailed assessment of their transport needs is carried out.</p> <p>CSD has recently (2025) implemented a restructure because needs assessments were being carried out by a solitary officer, at a junior level (SS6), without further oversight of a process that drove the level of expenditure for each child's agreed placement. Moreover, the process by</p> | Without guidance, there is an increased risk that costs increase as a result of assessments being applied inconsistently, and there is reduced resilience in the event of the loss of staff. | Medium | The process for needs assessments will be documented. | 30/06/2025 | MJ | This has been completed and shared with CSD and CET HTST team for awareness. | Complete |

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| | <p>which these assessments take place was not documented.</p> <p>The new structure includes three transport officers and provides increased resilience and formal oversight of the nature of transport arrangements being requested, though the process is not yet documented.</p> | | | | | | | |
| 6 | <p>The Procurement of New Routes</p> <p>A direct award was made for a HTST contract worth £57K per annum. Although the contractor was on a framework, a tendering process should still have been used for a contract of this size.</p> <p>This arose after the child had been placed with a contractor without the Council having been provided with sufficient information about their needs from their home authority. When the true needs became apparent and it was found that the contractor was unable to meet them, the family was provided with a Personal Transport Budget whilst a new contract was sourced.</p> <p>The failure to employ a tendering process was a breach of the Council's Procurement and Contract Standing Orders.</p> | <p>Failure to comply with the requirements of the Council's Procurement and Contract Standing Orders, reduces the value for money that the Council obtains from its contracts and increases the risk that procurements breach statutory requirements, which may then be subject to legal challenge.</p> | Medium | <p>All contract notices will be published by CET.</p> <p>CET will develop formal guidance for managing tenders, that do not receive any bids, in compliance with Procurement and Contract Standing Orders.</p> | 30/06/2025 | GL | <p>All routes are tendered. New route numbers are created on a spreadsheet and the RQ reference (tender reference) recorded next to the route number. Link to spreadsheet. End of November for completion of the process document</p> | Complete |

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| 7 | <p>The Approval of New Routes</p> <p>Upon receipt of an authorised instruction, a new travel placement is arranged. Whilst there is evidence that, when allocating transport, the use of existing routes is explored before new routes are procured, this is not always fully evidenced.</p> | Without the presence of a robust evidence trail, it is not always possible to confirm that existing routes have been explored before allocating transport. | Low | When approving new routes, the approval email will include details of the checks undertaken by the Principal Transport Officer or Transport Manager (the approvers). | 30/06/2025 | GL | Completed process note. Template email created to prompt all parties to complete and provide necessary information. Training to be delivered by the end of November as part of service review of processes. | Complete |
| 8 | <p>Service Agreements</p> <p>For each route, whether solo or multiple, a service agreement with the provider is put in place to set out the details of the service to be provided and its cost.</p> <p>Of 12 cases reviewed, service agreements could not be found in three cases.</p> | Without an available service agreement, there is an increased risk that agreed service terms cannot be enforced. | Medium | Processes are in place in CET to record the SA reference number for each route. These processes will be re-enforced with the team, along with a filing process, to ensure that all service agreements are retained and are readily accessible. | 30/06/2025 | GL | On the all route spreadsheet the SA reference is noted. There is no requirement or benefit for the wider team to have access to the SA document. End of November for completion of the process document. | Complete |
| 9 | <p>Personal Travel Budgets for Non-EHCP Cases</p> <p>Where no EHCP is in place, families are not offered a Personal Travel Budget (PTB). Whilst the presence of an approved EHCP is usually a prerequisite for the provision of HTST, as previously highlighted (see ref 3)</p> | Providing bespoke HTST without first offering the cheaper option of a PTB may result in increased costs to the Council. | Low | a) Work will be undertaken to develop guidance on the use of PTBs or mileage rates for | 31/12/2025 MJ 30/06/2025 GL | GL and MJ | Children without an EHCP are not eligible for SEND HTST, therefore are not eligible for a PTB. A Guidance note has been | Complete |

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| | <p>there are occasions when transport is provided without one.</p> <p>It is not clear what drove the lack of a PTB offer in cases where the Council is providing transport, though it may be that the lack of suitable guidance to cover exceptional circumstances led to a missed opportunity to save costs. The usual practice is to offer a mileage allowance to mainstream families; however, in a case seen where a taxi was booked at a cost of £140 per day, the offer of a PTB would have been a more cost-effective option. A new strategy for PTB has been implemented, with a view to increasing its uptake and reducing costs, though it does not contain guidance on non-EHCP.</p> | | | <p>children who do not have an EHCP.</p> <p>b) CET will always offer a PTB if this is likely to be the most cost-effective method of transport, in accordance with agreed PTB strategy.</p> | | | <p>created to support the offer of a PTB.</p> | |
| 10 | <p>The monitoring of PTB</p> <p>Testing has confirmed that arrangements are in place to monitor service provision from transport providers, and this includes ensuring that payments are not made for periods when transport is not needed, e.g., non-attendance at school.</p> | <p>If the attendance of children whose parents or carers are in receipt of PBTs is not monitored, there is a risk that payments are made that are not due, resulting in financial loss to the Council.</p> | Medium | <p>The process for monitoring attendance is being reviewed by CET. The numbers of PTBs has increased and are predicted to increase further with the enhanced offer.</p> | 31/08/2025 | GL | <p>CET and CSD drafting an updated process for PTB monitoring, to be completed by 31/12/2025.</p> | On track |

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| | <p>However, this is not always the case for Personal Transport Budgets and an example was seen in which nearly £2,000 of overpayment was made to one parent for journeys that had not been undertaken. It should be noted that this took place shortly after responsibility for monitoring was transferred from CSD to CET and may reflect uncertainty immediately following the change.</p> <p>The Council is now working with the recipient to recoup the overpayment, whilst CET is looking to document and strengthen its controls in this area.</p> | | | <p>An officer within CET has access to attendance data and will monitor attendance and recoup for non-attendance by deducting the amount from the next PTB payment.</p> <p>CET will lead on the process, to be agreed with CSD ahead of the start of the new academic year.</p> | | | | |
| 11 | <p>The Timeliness of Recoupment</p> <p>Recent changes to legislation have resulted in the responsibility for HTST falling on the host authority in cases where looked-after children are placed outside their authority of origin, though DfE guidance has not always been clear.</p> <p>In the southeast, a local agreement remained in place whereby authorities continued to fund transport for children who had been born in their areas. However, in the face of continuing financial pressure, councils have pulled back from these agreements and have been refusing to fund recoupment cases because they no longer had a statutory duty to do so.</p> | <p>Reducing the frequency of invoicing other councils for recoupment of travel costs to an annual basis, in the face of authorities rescinding agreements to honour recoupment agreements, increases the risk that funding cannot be recouped, resulting in financial loss to the Council.</p> | Medium | <p>CSD will always obtain a formal agreement for invoicing another LA, before authorising transport. CET has agreed the invoicing frequency with CSD to ensure payments are received promptly, and before LAs change their approach. CET will invoice other LAs in accordance with the following timetable:</p> | 31/08/2025 | IA/CL/MJ | <p>CSD has created a new process and tracking sheet to monitor. This has been shared with CET. Formal agreements will be obtained for new routes/ children however historical agreements will be undertaken via invoicing. Invoicing has been agreed for each 2 terms as below:</p> | Complete |

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| <p>This has been applied retrospectively in the case of Surrey County Council, which, having approved the funding of a number of cases, announced that it would not do so once the transport had been provided. Moreover, it was still 'approving' expenditure after its decision to refuse to fund it had been made.</p> <p>This has impacted East Sussex because the Council had failed to invoice Surrey for a year, rather than submitting two-termly[1] invoices, which had hitherto been its practice. As a result, opportunities for recoupment have been lost.</p> <p>Delays to the formalisation of agreement and the recoupment of funding for a Birmingham-based child has led to a debt of £63.5k accruing. The Council has been in dialogue with Birmingham and, following the issuing of our draft report, it was confirmed that this funding can no longer be recovered.</p> | | | <p>Q1 - August Q2 - Nov Q3 - Feb Q4 - May If an agreement is not complete, and invoices not issued, transport is to be terminated or funded by ESCC, as appropriate.</p> | | | <p>Invoices should be issued approximately every 2 terms, following this schedule: Terms Transport Periods Invoice Issued 1&2 Sept-Dec January* 3&4** Jan-Mar April* 5&6** Apr-July August*</p> <p>*Team must ensure that contracts to be paid before raising an invoice so invoicing dates may fluctuate if there are queries holding up payment. **Note that due to Easter there will often be a few term 4 journeys in term 5&6 invoicing.</p> | |
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