

# HAMPSHIRE COUNTY COUNCIL

## Report

<b>Committee</b>	Children and Young People Select Committee
<b>Date:</b>	11 July 2023
<b>Title:</b>	School Transport Update
<b>Report From:</b>	Director of Children's Services

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### Purpose of this Report

1. The purpose of this report is to:
2. Update the Children and Young People's Select Committee following the implementation of the changes to School Transport Policy made in 2022.
3. Summarise the current issues, service improvements and priorities for the School Transport Service.

### Recommendation

4. That the Children and Young People Select Committee note the contents of the report.

### Executive Summary

5. The following changes to the School Transport Entitlement Policy were introduced from September 2022, following a public consultation and decision at the Executive Lead Member for Children's Services Decision Day on 12 July 2022:
  - Increase the use of co-ordinated pick up and drop off points for SEND children.
  - Arrange journeys to more commonly serve multiple schools and colleges and age groups, including journeys that serve both mainstream and special schools and colleges.
6. The Transport Service have not implemented new transport arrangements based on this policy change. By September 2022, the majority of new transport arrangements for the 2022/23 academic year had been set up and it was determined that it would not be acceptable to families to make changes at a late stage. The Service will consider these arrangements on a case by case basis when commissioning transport for the 2023/24 academic year and

subsequent years.

7. Nationally, the external transport provider market is challenging as a result of driver shortages and some operators exiting the market post Brexit and post Covid. This has resulted in a lack of competition, in turn driving prices up, and transport operators handing back contracts, sometimes at extremely short notice.
8. Since 2012/13, there has been an increase of over 30% in SEND children requiring transport to school, but costs have more than trebled.
9. SEND children are more likely to require smaller (more costly) vehicles, experience longer journeys to school, and are more likely to require accompaniment from a Passenger Assistant.
10. To address the above pressures, this report also provides a summary of service improvements, issues and priorities for the School Transport Service.

### **Background Information**

11. The School Transport Service employs 30 Full Time Employees (equivalent) and in the 2022/23 financial year, the Service spent £50.2m on School Transport Services, of which £1.56m relates to operating costs. The remainder is spent on the provision of transport and passenger assistants.
12. In 2022/23 the Service was overspent by £9.4m, almost entirely as a result of cost pressures relating to SEN (Special Educational Needs) transport. This rise is forecast to continue, linked to the increase in SEN children receiving transport from 2,200 to 3,000 (+36%). This period is from 2012/13 - 2022/23. The forecasts suggest that this could increase to as many as 4,000 by 2026/27. For SEN pupils, the comparable unit cost rose by 132% over the same period, from an average per child of £350 to £812 each month. The average unit cost is based on the total spend of the year divided by the average number of SEN pupils on transport.
13. These cost pressures mean that the Service is mainly limited to only those children that have a statutory entitlement to receive transport to school. Mainstream children of compulsory school age who attend their nearest or catchment school are entitled to transport assistance when they live more than the statutory walking distances from school or the route is unsafe based on the School Transport Policy.
14. For children with SEND, an individual assessment that considers specific needs is completed by the SEN Service. The Department for Education guidance makes provision for local authorities to use discretion to provide transport assistance for children who would not normally be eligible. In Hampshire, there are a few situations where the Service provides discretionary transport assistance.

15. School Transport is provided to around 13,500 school and college students each day, broken down as follows:

Category	Number of Pupils	Spend (22/23)
Primary - Mainstream	1,600	£2.6M
Secondary - Mainstream	8,000	£9.2M
SEN	3,000	£26.9M
Post-16 SEN	750	£3.7M
Alternative Provisions - Discretionary	200	£0.9M

### **Update on 2022 School Transport Policy Changes**

16. Two changes to the School Transport Entitlement Policy were introduced from September 2022 following a public consultation and decision at the Executive Lead Member for Children’s Services Decision Day on 12 July 2022:

- Increase the use of co-ordinated pick up and drop off points for SEND children
- Arrange journeys to more commonly serve multiple schools and colleges and age groups, including journeys that serve both mainstream and special schools and colleges.

17. Children’s needs are taken into account when determining the suitability of this type of transport arrangement and each assessment is on a case by case basis.

18. Other mitigations to concerns raised during the consultation include:

- Pick up points will be chosen by applying local knowledge of the route, National Road Safety Guidelines and safety requirements when waiting and joining the vehicles.
- The wellbeing of children with SEND will continue to be ensured. All transport arrangements will be organised taking account of the individual needs of children and in accordance with the School Transport Entitlement policy.
- To support the wellbeing of travelling children, passenger assistants will continue to be deployed where required, supporting either individual children or the group of children on the vehicle.

19. Neither of the 2022 changes to the School Transport Policy were intended to lead to widescale changes for significant numbers of children.

20. Prior to the 2022 School Transport Policy change, there were a small number of transport arrangements in place using pick up points and route sharing between schools (four schools with 15 separate transport routes for 203 children).

21. Following the update to the School Transport Policy in 2022, no new transport arrangements that make use of shared pick up points or multiple schools

have been implemented. The Service will continue to look at optimising routes in line with our tendering and commissioning strategy whilst ensuring individual needs are considered on a case by case basis.

## **The School Transport Service**

22. Between June to September each year, the School Transport Service receives an influx of school transport applications, resulting in requirements to commission transport arrangements for the new academic year. Last year, 60% mainstream applications (2,193 applications) 38% SEN applications (712 applications), and 61% Post 16 applications (380 applications) were received between 1 June 2022 and 31 August 2022 for the 2022/23 academic year. **A similar number of applications are projected for the same period for the 2023/24 academic year.**
23. Since last year, a number of improvements have been implemented in the School Transport Service. Three areas of focus were identified as a priority for improvement which directly relate to the quality of service for Parents/Carers:
  1. Eligibility assessment decisions
  2. Tendering and commissioning strategy
  3. Passenger Assistant recruitment
24. **Mainstream and Post 16 Eligibility assessment decisions** - All transport applications are assessed according to the School Transport Policy. The Service have implemented substantial improvements to ensure that applications are assessed as quickly as possible. The outcome is communicated to Parents/Carers in a timely manner through the Hampshire Education Online Portal to enable families to make appropriate arrangements.
25. **Review of tendering and commissioning strategy** - currently most transport is tendered and commissioned on a route-by-route basis, with each route (a vehicle with a number of children) going through a separate commissioning process. Through the implementation of a commissioning strategy to bundle routes, we hope to better tackle the shortages of vehicles, drivers and passenger assistants which results in cancellations at short notice, issues with transport and significant high costs. Officers have reviewed contracts by school to identify opportunities for optimising routes, so in turn, we provide a more reliable and consistent service that can be closely contract managed. The reduction in the number of transport providers serving each school also improves the collaboration and communication between the operators, schools and parents. In some cases, one operator covers all routes for schools. This is currently the case for 20% of the overall spend and the aim is to increase this year on year. The one operator per school enables consistency for the families with the contract being longer term in most cases to cover the length of the school years.
26. **Passenger Assistant Recruitment** – there is a national shortage of Passenger Assistants (PAs), and in Hampshire there are several

geographical areas where these shortages are greater than average (Rushmoor, Eastleigh, Basingstoke and Andover). Work has been undertaken with the Council's Insight and Engagement Team to identify the most appealing aspects of the role, the demographic profile of those the role might appeal to, resulting in a refreshed and targeted recruitment campaign: [Careers in home-to-school transport | Hampshire County Council \(hants.gov.uk\)](https://www.hants.gov.uk/careers-in-home-to-school-transport).

Home > Jobs, careers and volunteering > Careers with Hampshire County Council

£10.79 an hour

“You get to know the children by their personalities, not their disabilities, and I really love it. It's the best job I've ever had, it truly is”  
– Elaine, school passenger assistant

**Make a difference. Be a passenger assistant**  
Can you provide a warm welcome on board school transport?

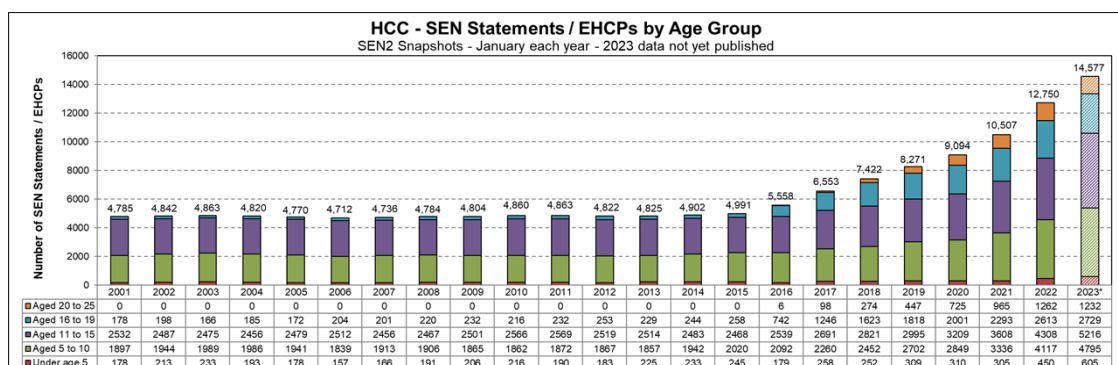
27. The campaign is having a positive impact, with the Service carrying out an increased number of interviews for prospective candidates and appointing more new starters.
28. The Service have also invested time to improve the retention of Passenger Assistants with an engagement plan which covers face to face training, inductions and beginning of term and end of term welcome sessions. These were all previously online. The Service has also introduced a Recognition Scheme to financially recognise those introducing a new starter to the team.
29. **Triage and Communication** - the Service have implemented a contact centre, triage function and new communication strategy to improve the interaction with Parents/Carers, Schools and Operators. The contact centre is manned from 7am – 5pm when the School Transport service is operational. At peak periods during from June to September, the Service receives approximately on average 750 calls and 1,500 emails per day. It is also possible to email the service, where we triage and prioritise each email.
30. The School Transport service have identified a number of changes to the website to provide up-to-date information and sufficient clarity regarding the school transport processes. These changes will be in place mid-July 2023.
31. The Service has also adopted a 'Phone First' approach to improve our communications and support the resolution of issues.
32. The communication channels used, and the frequency of communications have also been reviewed. A number of communications have already gone out through multiple channels such as Hantsnet, School Comms Portal and

Gov Notify. To date, this has had a positive impact and has resulted in an increase in the number of on time applications following our communications.

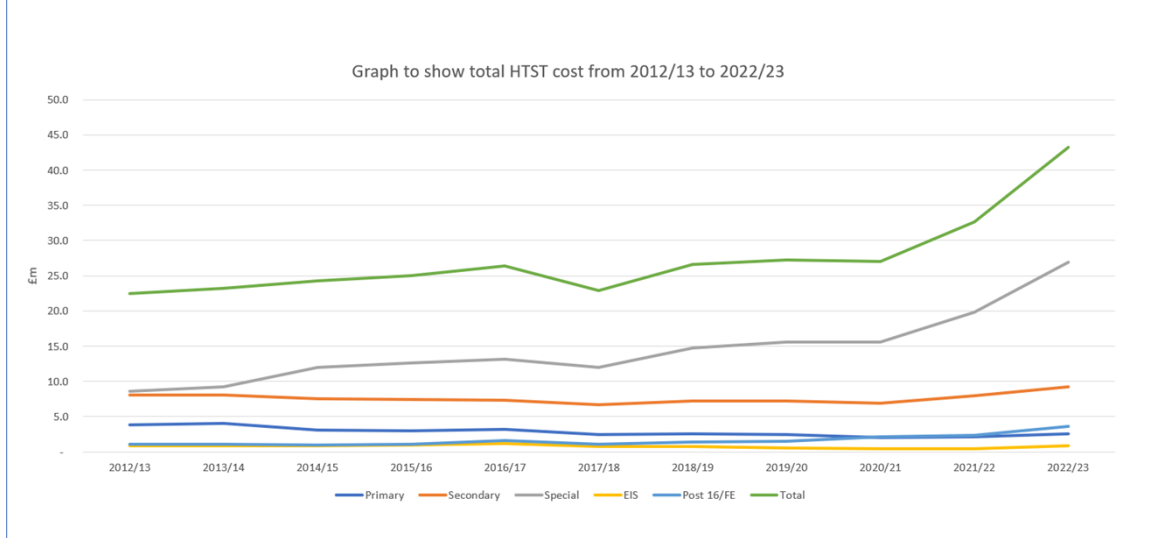
33. Communications regarding all transport arrangements for the new academic year will be sent out in July and August, including confirmation for Parents/ Carers where the transport arrangements remain the same.
34. The service is evaluating customer relationship management software (already adopted by several services within Hampshire County Council) with a view to implementing this in in 2024. This would further improve the customer experience.
35. Other improvements – in addition to the priorities outlined in paragraphs 22- 31 above, the Service has also:
  - Completed a review of business processes to ensure they are optimised, with the experience of families at the centre.
  - Introduced a new eligibility assessment process to allow bulk assessment of applications where it is appropriate to do so, resulting in faster decision making. Where possible, pulled forward transport route planning to reduce activity during August.
36. Despite these improvements, there is no doubt that the June to September period will be busy – this is unavoidable due to the start of the new academic year, the size and geography of Hampshire, and the need to optimise vehicle use whilst ensuring children arrive at school safe and ready to learn.
37. The 30 full time equivalent staff in the School Transport Service operate at high staffing levels from June through to the end of September to accommodate the peak demand. Annual leave is strictly limited in this period and the vast majority is approved outside of this period where the volume of transport applications and arrangements are lower.

## Finance

38. The cost of providing School Transport is rising rapidly and has been doing so for a sustained period. The increases correlate with the 2014 SEN reforms and the associated increases in numbers of children with Education Health and Care Plans as shown in the graphs below:



## Total School Transport Cost from 2012/13 to 2022/23



39. The increase in the number of SEN children receiving transport has increased from 2,200 to 3,000 (+36%) since 2012/13 and the forecasts suggest that this could increase to as many as 4,000 by 2026/27.
40. For SEN pupils, the comparable unit cost rose by 132% over the same period, from an average per child of £350 to £812 each month.
41. In essence, the key information that brings this problem to light is contained in the table below which shows the decline in mainstream school transport provision and the dramatic increase in SEND and Post 16 spend, exacerbated by significant cost increase across the market:

	Primary M'stream	Secondary M'stream	SEN	Post 16	Other	Total
2012/13 Student Numbers	2,459	9,114	2,220	500	331	14,624
2012/13 Unit Cost – Monthly	142	81	350	201	226	1,000
2012/13 Unit Cost - Annual	1,565	888	3,849	2,212	2,482	10,996
<b>2012/13 Cost</b>	<b>£3.8m</b>	<b>£8.1m</b>	<b>£8.5m</b>	<b>£1.1m</b>	<b>£0.8m</b>	<b>£22.3m</b>
2022/23 Student Numbers	1,605	8,023	3,023	390	193	13,234
2022/23 Unit Cost – Monthly	147	104	809	840	419	2,319
2022/23 Unit Cost - Annual	1,621	1,148	8,899	9,235	4,604	25,507
<b>2022/23 Cost</b>	<b>£2.6m</b>	<b>£9.2m</b>	<b>£26.9m</b>	<b>£3.6m</b>	<b>£0.9m</b>	<b>£43.2m</b>

2025/26 Student Numbers	1,588	7,830	3,600	535	173	13,726
2025/26 Unit Cost – Monthly	175	106	1,191	1,624	639	3,735
2025/26 Unit Cost - Annual	1,927	1,167	13,098	17,865	7,029	41,086
<b>2025/26 Estimated Cost</b>	<b>£3.1m</b>	<b>£9.1m</b>	<b>£47.1m</b>	<b>£9.6m</b>	<b>£1.2m</b>	<b>£70.1m</b>

### Potential reasons for the rise in costs

42. There is a shortage of places at dedicated SEN schools. Since 2014, the number of special school places has risen by 34%. The number of children with an EHCP has risen by 155% over the same timescale. Not all children with an EHCP need to go to a special school, but the rise in numbers creates extra pressure on places. The result of this is when a school place is found for a child, it is likely to be further away and so transport is more expensive.
43. Market factors – there is a lack of capacity in the transport provider market, specifically there is a shortage of operators overall and a severe shortage of drivers. With under-supply in the market this drives up prices due to lack of competition.
44. Conversations with SEN Headteachers indicate that the level of children's needs are increasing. As medical techniques and outcomes improve children with higher levels of need are able to benefit from education. For School Transport, this means that children are more likely to require an adapted vehicle or a Passenger Assistant, both of which are in short supply, or to travel solo in a car. All of these factors increase the average cost of providing transport.
45. There is a popular focus on short term cost of living increases. These do create pressure on operators to increase driver pay but only account for a proportion of the sustained rise in prices that has been at a rate well above inflation for many years.
46. Over the same period, total SEN transport costs have more than trebled from £8.5m to £27m. In 2012/13 SEN transport accounted for 38% of the total transport spend, it is now 65%.
47. If current trends in the growth in numbers of SEN children continue, and the unit cost of transport for those children continue to rise, transport spend for this cohort could more than double again by 2026/27.

### Conclusions

48. The School Transport Service commission and organise over five million journeys each year, for more than 13,500 children. The vast majority of



transport arrangements run smoothly each day.

49. An increasing number of children have significant needs and the transport provider market is struggling to meet demand. These factors are increasing the costs of transport, resulting in significant budget pressures which are forecast to increase over the forthcoming years.
50. There is a direct correlation between the increase in SEND school transport demand and the 2014 SEND reforms.
51. If central government were to delegate responsibility for setting school transport policy to local authorities, such policies could take account of local demography and infrastructure. This could facilitate:
  - Thorough means testing; asking those families who can afford to pay, to make a contribution to the cost of school transport. Learning from our current Post 16 provision, which is already means tested, is that parents do not understand the full cost of the service tThey believe that the 25-30% of the total cost that is passed on to them is actually the whole cost. There would be a significant overhead in administering means testing, which would need to be funded.
  - Amending eligibility and placing a greater emphasis on parents' responsibilities to get their children to school. For example, children would only become eligible if they live further than the statutory distance and where their parents can demonstrate that they are unable to get them to school.
  - Where essential, increase the acceptable journey times which would lower costs by reducing the number of solo vehicles required. This could result in more stress and anxiety for the children travelling to school.
  - References could be changed from "walking to school" to "walking or wheeling to school with parental accompaniment if necessary to ensure safety".
52. The summer period will always result in a peak in demand for new transport arrangements to be put in place for the new academic year. However, the Service is working hard to plan as early as possible and ensure clear communications with parents, carers, schools and transport operators.
53. The Service continue to continuously improve ways of working and have introduced a number of improvements in the last 12 months, with a range of planned improvements identified for the future.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes/no
People in Hampshire live safe, healthy and independent lives:	yes/no
People in Hampshire enjoy a rich and diverse environment:	yes/no
People in Hampshire enjoy being part of strong, inclusive communities:	yes/no
<b>OR</b>	
<p><b>This proposal does not link to the Strategic Plan but, nevertheless, requires a decision because:</b></p> <p><i>NB: Only complete this section if you have not completed any of the Strategic Plan tick boxes above. Whichever section is not applicable, please delete.</i></p>	

*NB: If the 'Other significant links' section below is not applicable, please delete it.*

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<p><u>Title</u> Decision Report for School Transport Policy Consultation</p> <p><a href="#">Executive Lead Member for Children's Services: Decision Report School Transport Entitlement Policy Consultation</a></p>	<p><u>Date</u> 12 July 2022</p>
<b>Direct links to specific legislation or Government Directives</b>	
<p><u>Title</u> Travel to school for children of compulsory school age - DfE Statutory guidance for Local Authorities</p> <p><a href="#">Travel to school for children of compulsory school age (publishing.service.gov.uk)</a></p>	<p><u>Date</u> June 2023</p>

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	