



EDUCATION FOR LIFE SCRUTINY COMMITTEE – 20TH MAY 2015

**SUBJECT: CAERPHILLY COUNTY BOROUGH EDUCATION TRANSPORT MTFP
2015/18 – ITEMS FOR CONSIDERATION**

REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To consider Medium Term Financial Plan (MTFP) options from Caerphilly County Borough Education Transport service following the previous report to Special Scrutiny Committee on 19 June 2014.

2. SUMMARY

- 2.1 This report is put before Education for Life Scrutiny Committee to consider the County Borough Education Transport Service's review options in assisting the Local Authority to meet its obligations in respect of the 2015/18 MTFP to achieve a 20% general reduction in overall spend.
- 2.2 The range of discretionary home to school and college transport services is listed in Appendix 1 of the report, together with an approximate budget value. These were considered in detail in the report presented to the Special Scrutiny Committee Meeting on 19 June 2014. Further information was requested in some of the areas identified and these are summarised in Appendix 2 of the report, with appropriate responses.
- 2.3 Any changes made to education transport policy are covered by the Learner Travel (Wales) Measure 2008 that states that a local authority must consult, agree and publish the information before 1 October of the year preceding the start of the academic year they will apply from.

3. LINKS TO STRATEGY

- 3.1 The work of the Education Transport Service contributes to a number of the Councils key strategic priority areas and plans including 'Caerphilly Delivers: The Single Integrated Plan 2013-2017', in particular with respect to:
- **Prosperous Caerphilly** – supporting local people to improve their employment opportunities and compete for work.
 - **Learning Caerphilly** – providing access to a range of resource, facilities, and services that underpin basic skill development, qualification attainment, and access to materials that support improved educational achievement among residents of all ages.

4. THE REPORT

- 4.1 Eleven areas of discretionary education transport provision were presented at the Scrutiny Committee meeting on 19 June 2014 for Scrutiny Committee Members' consideration and comment. These are summarised in Appendix 1 of this report.
- 4.2 Each area defined the statutory duty and identified the discretionary areas of provision defined by the current education transport policy set by the Council, including a summary of the potential options available to reduce or withdraw discretionary areas of provision within the broader context of the Council's Medium Term Financial Planning constraints. Currently, the Council is responsible for the transport of around 8150 pupils and students daily, with an annual budget of £6.4million.
- 4.3 The Council has one of the most generous discretionary transport policies for home to school and college transport in Wales and most authorities have reduced, or are in the process of reviewing, their provision in the difficult current financial climate. Most Councils have targeted post-16 provision and statutory walking distance limits as the main areas for savings. A small number of Councils have reviewed other areas of provision - Neath Port Talbot and Swansea Councils for example have reviewed transport provision to Faith schools – the former has withdrawn transport provided on this basis, whilst the latter has confirmed the intention to cease provision from September 2015, subject to the outcome of a Judicial Review initiated by the local Diocese on behalf of the schools affected. To date, no local authority in Wales has withdrawn transport to Welsh Medium schools.
- 4.4 Members should also be aware that contracts for mainstream school and college transport were renewed from 5 January 2015. This involved all the mainstream bus and coach contracts (over 70 routes in total), and realised savings of around £2000 per day (approximately £380,000 over the academic year, representing a 12.5% saving on previous spend). The savings were achieved by relaxing the specification of the vehicles required, reviewing previous contracts and routes and revising them to match demand and capacity as efficiently as possible, competitive pricing by operators and some innovative linking of routes by operators. Whilst there is a concern that some of the contract prices may not be sustainable, it is felt that £250,000 is an achievable long term annual saving and this can form part of MTFP savings from 2015/16 onwards. This represents a reduced budget commitment of £555,600 since 2012/13, despite increased demand for transport over the same period. Officers are currently working with Procurement Services to develop a new Framework for taxi and minibus contracts, which are due for renewal from September 2015. This will be based on a Dynamic Purchasing System (DPS), which allows more flexibility for new contractors to join the framework once it has been established, subject to meeting appropriate safety and quality standards and should allow more competitiveness into this area.
- 4.5 If a local authority decides to change or remove any element of discretionary policy it provides, it must consult, agree and publish the information before 1 October of the year preceding the academic year when the changes will come into force in accordance with the Learner Travel (Wales) Measure 2008. Whilst any change to discretionary policy will have an impact on pupils and students, there are two particular areas where the Council is at risk of additional financial exposure (post 16 provision), or challenge (provision of transport on hazardous walking routes).
- 4.6 Of the 11 areas of discretionary transport identified in Appendix 1, post 16 provision, low and negligible risk hazardous walking routes and reversion to statutory walking distances are the recommended priorities to progress at this stage.

Post-16 Transport

- 4.7 A breakdown of the number of ways post-16 transport could be provided, together with a cost summary for each option is detailed in Appendix 2. CCBC's post-16 transport policy is particularly generous and currently offers free transport to students attending their nearest or catchment school or the nearest college to home, providing they reside more than 2 miles

from the school or establishment. Whilst there is no statutory duty to make / provide transport arrangements for students over the age of 16 years old, legislation does require that if transport is provided in line with the Council's prescribed criteria, the provision must be equitable, with no differential policy.

4.8 This presents a challenge when reviewing policy, as transport is currently provided in a number of ways: For the vast majority of students, where courses are local, transport is provided as follows:

- To schools with 6th forms, students travel with Year 7 to 11 pupils, so the cost of transporting post 16 is marginal, as they are accommodated on existing contracts.
- Transport to colleges – provided by dedicated contract buses (to Coleg y Cymoedd, Ystrad Mynach campus), or through season tickets to allow travel on local buses (e.g. to Coleg Gwent or to Coleg y Cymoedd, Nantgarw campus).

Where a course of study is not available locally, a travel grant of up to £376 per academic year is available, although historically, some transport has been provided to particular courses, which are not readily accessible by the public transport network. An example of this historical arrangement is to Pencoed College, where a minibus is organised.

4.9 Appendix 2 outlines the options in detail, but can be summarised as follows:

Option (i) – withdraw all post-16 transport for students – potential saving £850k per annum

Option (ii) – introduce a fixed travel grant for students – potential saving £360k to £660k per annum (based on grants of £250 and £140 per student per year respectively).

Option (iii) – introduce a cap on transport costs by setting a maximum contribution from the Council – potential saving £77k per annum (based on a £350 annual travel grant)

Option (iv) – introduce a fixed parental contribution for all post-16 students – potential saving £418k per annum (based on £150 charge per student per year).

Option (v) – cap the upper age limit for post-16 transport – would be applied to options (ii) to (iv).

The impact of any of these options would be more severe on low-income families. To mitigate this, it would be possible to vary the level of parental contribution for those parents who meet the criteria for free school meals, or have a household income below a certain threshold. This would reduce the amount of total savings possible which would directly impact upon the MTFP target reductions.

Hazardous Walking Routes

4.10 A second priority area for consideration relates to a review of free transport on hazardous walking routes, identified as negligible or low risk, but less than the defined policy distance for free transport. At the Scrutiny Committee on 19 June 2014, Members requested clarification of what constitutes a hazardous route, the different levels of classification and the locations and this response is summarised in Appendix 2 (2). To reiterate, the definition of the negligible risk category is that no action is warranted, whilst for low risk, action is unlikely to be warranted, but if necessary, it is unlikely a bus service is unlikely to prove an effective solution. In 2007, a thorough review was undertaken of walking routes where transport was historically provided and officers proposed at the time that routes categorised as negligible or low risk be discontinued for all new pupils from September 2007, but continued for existing pupils until they changed schools or entered post-16 education. Members did not support this.

- 4.11 There are concerns that continuing to provide transport over routes identified as low / negligible risk leaves the Council open to claims from parents who could claim discrimination and precedent. The Learner Travel (Wales) Measure sets out that local authorities have a duty to assess walking routes to school in line with various guidance documents available.
- 4.12 Appendix 2 (2) also outlines the revised Guidance published by the Minister for Economy, Science and Transport in June 2014 that extended the criteria used for assessing walking routes to school. In summary, in addition to the assessment of the relationship between pupils, traffic and the route conditions, there is now a requirement for Councils to also assess the route in the context of social danger and there is now a clear expectation from the Minister that the views of children need to be taken into account. The revised criteria for assessment will potentially raise both pupil and parental expectations and this has been borne out by experiences in at least one neighbouring local authority.
- 4.13 The following routes are currently identified as negligible or low risk:

Route	Assessment
• The Rise to Coed y Brain Primary	Negligible
• Llanfach to Abercarn Primary	Negligible
• Wattsville to Cwmfelinfach Primary	Negligible
• Hollybush to Markham Primary	Negligible
• The Rise to Lewis Girls Comprehensive	Low
• Croespenmaen to Rhiw Syr Dafydd Primary	Low
• Pwyllypant to Coed y Brain Primary	Low
• Penybryn to Lewis Girls Comprehensive	Low

The total cost of these routes is £91,000 per year and 195 pupils are eligible to travel on these contracts. The actual savings may not equate to the current cost of these contracts, as many of these contracts are linked by the transport providers to other routes and terminating part of this link is likely to undermine the viability of the other contracts, resulting in additional costs to the Council to sustain these.

- 4.14 With the exception of post-16 transport, any changes to discretionary policy may result in the Council having to assess safe walking routes to school under the revised guidance. In the longer term, the Council will need to review all walking routes to school in line with new Guidance published last year.

Statutory Walking Distances

- 4.15 The Council has a statutory duty to provide pupils aged 5 to 16 years old with free school transport to their nearest school if the walking distance between their home and nearest school is more than 2 miles (for primary education) or 3 miles (for secondary education). Caerphilly provides transport for pupils who attend their “relevant” school and defines walking distances as 1.5 miles for primary education and 2 miles for secondary pupils. “Relevant” school is defined as the catchment school or the nearest school.
- 4.16 Savings are impossible to quantify accurately at this stage as both statutory distance and discretionary distance pupils travel together. Ceasing to allow discretionary distance pupils to travel will reduce the capacity requirement overall, but this does not necessarily equate to direct cost savings (for example, if demand decreases from 70 to 40, the operational cost of running a 40 seat vehicle will not be significantly different from a larger vehicle). It is estimated the changes would affect 1100 pupils and cause difficulty and hardship for some pupils and their families. The Council would be obliged to retain provision for existing pupils, so the savings would have a long lead time before they were realised.
- 4.17 It is suggested that further work is required to assess the impact of this change in policy and therefore a target date of September 2017 is more appropriate. Options such as retaining provision, but charging for pupils living less than the minimum statutory distance, or looking at ways of reducing the impact on low-income families would be developed in the interim.

Fare Paying Buses to Primary Schools

- 4.18 There are seven fare-paying services to primary schools supported by the Engineering Division through the revenue support budget for local bus services. These services are historical and were established prior to the deregulation of bus services, by the formal municipal transport undertakings at distances less than the established Education transport policy of free transport being provided for pupils living 1.5 miles or more from their relevant school.
- 4.19 The services are registered as local bus services and parents are responsible for the safety of their children travelling to and from school on these services and are able to accompany their children on the journey. The Council's Health & Safety manager has raised concerns over the lower level of supervision of pupils on these services compared to free transport provided under the Council's current policy, particularly with regards to the lack of parental responsibility for some of the pupils travelling on the services and concern that this role had been taken on by some of the schools served, which was inappropriate.
- 4.20 Officers from Health and Safety and Public Transport therefore met with the schools and parents of pupils travelling in summer 2014 to reaffirm parental responsibility with regards to supervision and to remove the involvement of school staff in the welfare / supervision of the children travelling to and from school. Instead, nominated parents are now responsible for accompanying and escorting the pupils to and from the bus stop and on the school journey. These arrangements have been put in place for the 2014/15 academic year.
- 4.21 The cost of maintaining these services is £32.3k per annum and as part of the Engineering Division's MTFP that identifies £150k of savings from the revenue support budget for local bus services from 2016/17, it is proposed that the withdrawal of these routes will form part of the target saving, following appropriate consultation, with implementation from September 2016. The services involved are:
- Penpedairheol to Tiryberth Primary School
 - Watford (Caerphilly) to Hendre Infants and Junior Schools
 - Britannia Terrace to Pengam Junior School
 - Penybryn to Glyngaer Primary School
 - Gilfach Estate to Gilfach Fargoed Primary School
 - Aber Station to Twyn Primary School
 - Energlyn Parc to Plasyfelin Primary School

Recommended Way Forward

- 4.22 Appendix 3 summarises the policy position in other Welsh local authorities and it is clear that the Council's policy is now one of the most generous in Wales. Changes to transport policy will affect pupils, students and their families and extensive consultation will be required and the timescales for this and approval through the Council's governance processes by 1 October for implementation in September 2016 are challenging. It is therefore proposed that post-16 and walking routes identified as low or negligible risk are considered as a priority, along with the fare paying school bus services, with further work on other discretionary areas taken forward with a view to implementation from September 2017.
- 4.23 There have been a number of changes in the nature and provision of transport for pupils with Additional Learning Needs (ALN) in recent years, which have increased the demand for transport. It is proposed that officers within the Education directorate work closely with the Education transport team to explore the main factors that have caused the additional demand and consider whether there are ways of mitigating the scale of costs associated with transport, but continuing to meet the needs of the pupils concerned. This may include a range of measures, including the location of facilities and the length of journey involved, looking at independent travel training for those pupils who are able to use public transport, or a more revised policy / protocol for transport requests.

5. EQUALITIES IMPLICATIONS

- 5.1 Dependent on which option, or options, Members wish to explore further appropriate Equality Impact Assessments will be prioritised as part of the next stage in the formal review process. Where required the detailed Equality Impact Assessments undertaken will form part of subsequent reports to Members for their information and consideration.

6. FINANCIAL IMPLICATIONS

- 6.1 The financial implications of each review area considered as part of this report have been noted where known. The full cost implications of each area that Members may wish to take forward will be prepared as part of the next stage in the process.
- 6.2 The savings proposed can be summarised as follows:
- 2015/16 £250k (efficiency savings following retender of mainstream transport) per annum
 - 2016/17 £77k to £1,053k options re Post 16 transport (depending on option taken forward)
£91k from withdrawal of negligible low risk hazardous walking routes
 - 2017/18 to be determined.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no direct personnel implications.

8. CONSULTATIONS

- 8.1 The views of all consultees listed have been incorporated in this report.

9. RECOMMENDATIONS

- 9.1 That Education for Life Scrutiny Committee Members consider the recommended way forward for implementation from September 2016, as outlined in paragraph 4.22, as well as noting the £250,000 base budget reduction proposed as a result of the recent mainstream contract renewals.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To enable Education for Life Scrutiny Members to duly consider the County Borough Education Transport Service's review options in assisting the Local Authority to meet its obligations in respect of the 2015/18 Medium Term Financial Plan.

11. STATUTORY POWER

- 11.1 1996 Education Act.
- 11.2 Learner Travel (Wales) Measure 2008.

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Appendices:

Appendix 1 Initial list of discretionary services to be reviewed
Appendix 2 Response to Education Scrutiny Committee 19 June 2014
Appendix 3 Summary of education transport policy across Wales