



DERBY CITY COUNCIL

**PLANNING, HIGHWAYS AND TRANSPORT  
INDIVIDUAL CABINET MEMBER MEETING  
16 AUGUST 2006**

# **ITEM 6**

Report of the Corporate Director, Regeneration and Community

## **Proposed Changes to Home to School Transport Arrangements**

### **SUMMARY**

- 1.1 A broad review of Home to school transport provision within the city is currently underway. The review is taking place against rising costs of providing the service and its objectives are to ensure that we find the best ways to provide the type of service that meets the needs of our customers while ensuring that the service is efficient.
- 1.2 This report sets out a number of minor proposed changes to the current operations which could improve quality and make the service more efficient. These changes include amendments to the travel allowance paid to parents who elect to transport their own children, offering, at a cost, spare seats to none entitled students to help meet costs, changes to bus fares levied to none entitled students on supported bus services, measures to help reduce unnecessary journeys and changes to the charge made for replacement bus passes.

### **RECOMMENDATION**

- 2.1 That travel allowances paid to parents who elect to transport their own children to and from school be increased to 40 pence per mile.
- 2.2 That bus fares on supported home to school services be increased for the first time since June 2000. Fares to increase by 25% in September 2006 with a further 6% being applied from September 2007.
- 2.3 That spare seats on services provided, including in taxis, mini buses and buses, be offered to other none entitled students at the charge rates detailed in the report.
- 2.4 In order to help reduce unnecessary journeys, and hence wanted resources, that parents of entitled children will be asked to meet the costs of abortive journeys where these could have been cancelled.
- 2.5 That charges for replacement bus passes be set at £5.

## REASON FOR RECOMMENDATION

- 3.1 Increased mileage allowances for parents will help cover their costs and bring the allowance in line with suggested rates produced by Revenue and Customs Department. The increased rate may also encourage more parents to elect to transport their own children. This approach is more cost effective and beneficial for the child.
- 3.2 The increase will bring bus fares on supported services more in line with fares applied by commercial bus operations. Applying the increased fares to none entitled children will help maintain services at current levels. The increase, which amounts only to the level of inflation over the period 2000 to 2006, is intended to be phased over two years to help lessen the impact on customers.
- 3.3 Selling spare, unproductive, seats on services we operate will help ensure these services provide the best value for money.
- 3.4 Ensuring parents share responsibility for transport costs will help with unnecessary costs and wastage.
- 3.5 To bring the charges in line with neighbouring authorities including Derbyshire County Council.

## SUPPORTING INFORMATION

- 4.1 At the last meeting of the TPOG Board on 12 May 2006, the options of making “quick wins”, were proposed.

### **Enhanced Travel Allowance**

- 4.2 If the travel allowance paid to parents was enhanced it would encourage more parents to transport their children to school in their own cars. This would reduce the amount of money that the Council pay for taxi transport.
- 4.3 The present mileage rate is 12.9 pence per mile. It is proposed to increase this to 40 pence per mile so that it falls in line with suggested Revenues and Customs rate. This higher rate would be promoted wherever practicable and offered to parents as an option when they qualify for transport.
- 4.4 The cost reduction per child would be assessed individually before this option is offered, as an existing taxi running the same route with spaces available may be more cost effective.
- 4.5 At the present time there are 11 parents who receive fuel allowance payments. Any additional costs associated with the increase in travel allowance are likely to be quite small. It is expected that greater take up of the travel allowance will achieve savings to offset any increased payments.

## **Bus Fares**

- 4.6 Derby City Council home to school transport supported services fares have not increased since June 2000. Commercial bus fares rise at least annually and Derby City Council has no control over these increases. Although there are no supported services running along the full length of a commercial route some journeys obviously overlap.
- 4.7 It is proposed to increase the fares by 25% from September 2006, then 6% plus RPI from September 2007 with normal RPI rates thereafter. These increases will help bring fares on supported services closer to those on commercially operated routes. Inflation costs between 2000 and 2006 amount to 31% and it is proposed to apply this level of increased in a phased manner.
- 4.8 See Appendix A for proposed new fare rates for September 2006. The new fares will generate approximately £12k additional income per year.

## **Concessionary Places**

- 4.9 It is proposed that spare places in taxis and minibuses could be sold to students for the actual cost of the seat while spare places on mainstream buses should be sold for the actual bus fare.
- 4.10 Concessionary places for spare seats on home to school transport could also be made available on pass holder only services. For these services we pay the operator a fixed amount per vehicle per day. Spare capacity varies annually at the start of the new academic year and cannot be measured until all entitled students are allocated – this is often mid-late August.
- 4.11 Any concessionary places offered would be much more expensive than students travelling on registered home to school transport services pay (where they board with an identity card and pay a single fare). Prices vary from £2.10 to £7.50 per seat per day for concessions. Invoices would be raised in advance with payment expected before a pass could be issued to enable travel. These would be offered on a term by term basis.
- 4.12 Students with special needs applying for concessionary places are refused in line with instruction from Education Department. There are currently two students receiving concessionary travel – one is due to leave in July 2006 with the other in July 2007. Current costs are £27.50 for students living less than 3 miles from school and £55 for those living over 3 miles and these prices have been in place since 1997. Applying the RPI figure for inflation £27.50 would rise to £34.17 (rounded up to £35) and £55.00 would rise to £68.34 (rounded up to £70).

## **Eliminate Unnecessary Journeys**

- 4.13 It is proposed that when the guidelines are sent out to parents, they are to be asked to sign to say that they agree that if a taxi has made an unnecessary journey, because they have failed to cancel it, then the cost will be passed onto them. A type of “yellow card” system would be operated whereas on the first occasion a warning letter would be sent stating that in future the parents would be liable for the cost of transport which had not been cancelled. If it is another Council department that is at fault that department would be charged immediately.

## **Replacement Bus Passes**

- 4.14 The current cost of replacement bus passes and identity cards is £2.50 per card and has not been increased since Derby City Council became a unitary authority in 1997.
- 4.15 Neighbouring authorities – Derbyshire, Nottingham City and Nottinghamshire all charge £5.00 per replacement pass with Leicestershire charging £2.50.
- 4.16 It is proposed to bring Derby City Council charges in line with Derbyshire by increasing the cost of a replacement pass to £5.00 per pass from the start of the academic year. This will only bring in about £500 extra income for the authority.

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<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial**

- 1.1 It is difficult to be precise about the combined financial effect of the proposed measures. The report identifies some areas where costs will be reduced and where additional income will be generated. In the main these changes will help ensure that we get better value for money from the services we operate. We will report back on the actual financial implications of these changes at the end of the spring term in 2007.

**Legal**

- 2.1 None.

**Personnel**

- 3.1 None.

**Equalities impact**

- 4.1 None.

**Corporate objectives and priorities for change**

- 5.

The Table below shows the **estimated new adult single** fare scale applicable to Derby City Council contracted services from **4 September 2006**.

Children/student fares are approximately half the adult fare.

No return fares allowed on any School contracted services.

MILEAGE	RATE
0.5	£0.38
1.0	£0.50
1.5	£0.68
2.0	£0.82
2.5	£1.00
3.0	£1.13
3.5	£1.32
4.0	£1.45
5.0	£1.63
6.0	£1.80
7.0	£1.93
8.0	£2.13
9.0	£2.25
10.0	£2.32