

Home to School Transport

SUMMARY

- 1.1 As part of the Council's budget strategy for 2007-10, each department made proposals to save 10% of its budget. In the budget agreed by Council on 1 March 2007, the savings included income from introducing charges for transport to faith schools, and increasing the fares charged on other discretionary school transport.
- 1.2 A formal consultation took place between 22 March and 20 April 2007. Copies of the consultation document were distributed to all pupils in city schools as well as other interested bodies.
- 1.3 Subject to any issues raised at the meeting, we support the following recommendations.

RECOMMENDATIONS

- 2.1 To increase fares for existing charged for services from September 2007, as set out in the consultation document in Appendix 2.
- 2.2 To introduce annual charges for faith and other discretionary transport from September 2008, as set out in the consultation document in Appendix 2.
- 2.3 To confirm that those pupils currently receiving free transport to faith schools will continue to do so until they leave statutory education or change school.
- 2.4 To introduce a discount of 20% for the second fare-paying child in a household and a discount of 30% for the third or more fare-paying child in a household, with a maximum payment of £1000 for an individual household.
- 2.5 To agree an additional payment option of up to six instalments by direct debit.

REASON FOR RECOMMENDATIONS

- 3.1 There is a continuing need for the Council to identify and implement budget savings.

- 3.2 The consultation has shown clear concerns about the financial impact on families, particularly in relation to up-front payments and families where there will be more than one fare-paying child. The introduction of an instalment payment option and discounts for the second and successive fare-paying children will help to address these points.



DERBY CITY COUNCIL

COUNCIL CABINET **3 JULY 2007**

Report of the Corporate Director for Children and Young People, and
the Corporate Director for Regeneration and Community

Home to School Transport

SUPPORTING INFORMATION

- 1.1 The Council currently spends £378,000, or £645 per child, each year on free home to school transport to 7 faith schools, and £450,000, or £475 per child, on other subsidised school transport for pupils attending their nearest suitable school. This transport tends to be provided in areas where pupils have difficulty getting a direct commercial bus service to their school; routes to 8 schools are covered by this. Both these budgets are discretionary and were, therefore, examined when departments were looking for 10% savings as part of the 2007-10 budget strategy. It was also a suitable time to review the policy as the Education and Inspections Act 2006 is extending the entitlement to free travel for pupils from low income families.
- 1.2 The Council's indicative 2008/09 and 2009/10 budgets assumed savings would be made by introducing or increasing charges in these areas. For faith transport, the estimated savings were £106,000 in 2008/09 and a further £66,000 in 2009/10, based on the introduction of charges from September 2008 for all those who had started a new school from September 2007, and recovering the full cost of transport. For other home to school transport, the assumed savings from increased charges were £35,000 in 2008/09 and a further £60,000 in 2009/10.
- 1.3 In addition to the budget consultation, the Council held a full separate consultation as this involves a major policy change. The consultation document proposed a range of charges which would vary with distance and phase of school. Charges for faith transport would not be introduced until September 2008, while there would be phased increases in charges for other subsidised transport in both September 2007 and September 2008. The detailed proposals are shown in Appendix 2, with charges ultimately ranging from £1.68 per day, or £320 per year, for primary pupils living less than three miles from school, to £2.63 per day or £500 per year, for secondary pupils living more than three miles from school. The proposals would involve payment in advance from September 2008 in one or two instalments.
- 1.4 The consultation document was distributed to pupils in all Derby schools and to other interested parties such as the dioceses. There were 721 responses, and a detailed analysis is provided in Appendix 3. The main issues raised are set out below. These individual responses are available for Members to view prior to cabinet.

Human Rights legislation, equal opportunities and parental “choice”

- 1.5 The Education Act 1944, the UN Declaration on the Rights of the Child and the Human Rights Act 1998 give parents the right to access free education; however, getting the child to the school in order to take up that free education is governed by other legislation, such as the Education and Inspections Act 2006. Legislation allows local authorities to make decisions about achieving a right and justifiable balance between the provision of education and reasonable public expenditure. Transport is one area that parents need to consider when expressing a preference for a school place. It is not actually the case that there is ‘parental choice’; the legal term is in fact ‘parental preference’. The allocation of a school place does not carry with it an entitlement to transport. The Council does not provide free transport to pupils who choose a school for other reasons, such as its specialism. The comment has also been made that Derbyshire is still providing free transport, so that pupils at the same school might be treated differently. This is an inevitable consequence of each authority being able to set its own policy, and is already occurring elsewhere in the country as a number of authorities withdraw their previously free provision.

Greater car use, congestion and environmental issues

- 1.6 This is clearly an area in which too high a charge risks an increase in car use, congestion and emissions. It is one of the reasons why the charges proposed in the consultation document are less than the full cost of the transport, as we wish to continue to encourage bus use. Journeys to and from schools are a significant generator of travel demand and contribute towards high traffic flows, particularly at peak times. The degree to which car use would increase is hard to assess and is dependent on the actions of parents, their preference of school and the availability of services. However, the consultation responses indicated that just over a third of children would not continue to use the bus from September 2008, with a further 30% unsure. It is possible that this may reduce if payment in a greater number of instalments is allowed. Of those who think they would stop using the school bus service, 56% said they would use the car with 24% walking. The Education and Inspections Act 2006 places a duty on local authorities to promote the use of sustainable travel and transport, and the Council will continue to plan and provide transport services based on demand. The Council will continue to work with schools in developing their School Travel Plans which encourage more children to walk, cycle or use public transport.

Affordability

- 1.7 The Council must first fund its statutory services and then consider allocations to discretionary areas of service. The Education and Inspections Act will increase the entitlement to free transport where a pupil's family are on income support or receiving the maximum working tax credit. The introduction or increase in charges could clearly cause financial difficulties for those on low incomes just above these thresholds, especially with the original suggestion of up-front payments. We propose, therefore, to make payments possible in up to six instalments by direct debit rather than the one or two suggested in the consultation questionnaire. The first instalment would need to be paid when the application form is submitted. The issue has also been raised of the effect on households with more than one child having to pay. While we recognise this, it is also the case that a high proportion of pupils paying are likely to have siblings also paying. A large discount would, therefore, have a significant impact on the total income generated. We propose a discount of 20% for the second child in the same household also liable for a charge, and a 30% discount for the third or more child, with a maximum charge of £1000 for an individual household.

Catholic parents already have to pay 10% towards capital costs

- 1.8 The DfES has determined that it will only pay 90% of the capital costs for aided school capital projects. This is a national policy and relates only to capital projects, not to day to day running costs, where all schools are funded on the same basis. How the capital contribution is found is a matter for the diocese and is not, therefore, automatically or exclusively paid by Catholic parents.

Against the partnership between the Council and churches

- 1.9 The Council works well in partnership with many organisations without providing a subsidy or other financial assistance. The Council will continue to work with the dioceses in its strategic planning, including the replacement and refurbishment of secondary schools, including St Benedict, in the Building Schools for the Future programme.

Insufficient places at other schools/effect on numbers at St Benedict's

- 1.10 Any change in policy may have an effect on parental preference and the Council will continue to discharge its duty to provide places for all Derby pupils of statutory school age. Changes may occur to the pattern of demand which could lead to surplus places at some schools and an increase in demand at others. However, in terms of the specific issue of St Benedict's, the pressure on secondary school intakes generally has eased as the peak year group for numbers is now in year 10. Indeed, eight of the other twelve secondary schools have surplus places in at least some years. In next year's year 7 intake, 7 schools have a total of 268 spare places between them. The wide distribution of the St Benedict intake means that there is unlikely to be a geographically concentrated effect even if pupil numbers drop off. The popularity and reputation of the school suggests that this is a low risk – the school has a waiting list, while 218 pupils put the school first preference in 2007, 97 second preference and 63 third preference compared to the admission limit of 245.

Council Tax too high and rises every year/ look for savings in other areas

- 1.11 Derby has the lowest Council Tax in the East Midlands, but faces cost pressures each year and a limit of 5% in Council Tax increases year on year. All Council departments had to identify 10% savings this year. Where possible, these are achieved through efficiencies or using external funding to support existing budgets. However, these cannot alone deliver the 10% target, and there will, therefore, be some impact on the provision or price of services.

Child safety issues

- 1.12 The Council recognises that there could be safety issues if children walk rather than take the bus. Section 444(5) of the Education Act 1996 defined 'walking distance' as the shortest route along which a child, accompanied as necessary, may walk with reasonable safety from traffic hazards. As such, the route measured may legally include footpaths, bridleways and other unlit pathways, as well as recognised roads. While Derby is generally safer than many comparable cities, there are always improvements which could be made and the Community Safety Partnership has promoted a number of initiatives. As far as safety on buses is concerned, the Council is considering a range of quality improvements such as new CCTV cameras on vehicles, implementing new guidance on the treatment of poor behaviour on school contracts and Criminal Records Bureau (CRB) checking of drivers. For cyclists, the Council is continuing to encourage the development of cycle lanes and dedicated cycle routes, as well as increased emphasis on cycle training for students.

Effect on inclusive nature of St Benedict's

- 1.13 Most of the staff responses from St Benedict's expressed concern that lower income families might choose to send their children to other schools and that this would impact on the inclusive nature of the school. Ofsted's most recent inspection report stated that "the percentage of students eligible for free school meals is in line with the national average. The proportion of students from ethnic minority backgrounds is higher than average but the proportion who speak English as an additional language is low. Students enter the school with expected levels of attainment." It is difficult to predict exactly what effect the proposals will have on future intakes, but it is important to note that the Education and Inspections Act is extending the entitlement to free transport where children are entitled to free school meals or their parents are entitled to the maximum working tax credit. The transport for pupils with special educational needs at the enhanced resource facility is unaffected by these proposals.

Adds to Duffield Road bus lane problem

- 1.14 In general the provision of the bus lane on Duffield Road has been successful and it is achieving its objectives. It is acknowledged that additional access by car to St Benedict's may cause some problems, but this is difficult to predict at this stage and should not be considered a reason not to proceed with the proposals set out in this report.

Consider rebates for illness/days when not using the bus

- 1.15 Some people have commented that there should be rebates on days when children do not use the bus because of illness or if they walk or cycle to school in fine weather. The points made are sensible, but would involve considerable extra administrative costs which would erode the projected savings. Consideration was given to this issue when the proposed charges were calculated.

OTHER OPTIONS CONSIDERED

- 2.1 It would be possible to make no changes to the policy. This would, however, require equivalent savings to be made elsewhere in the Council's budget, and would impact on other services to children, young people and the public.
- 2.2 It would be possible to extend the free transport entitlement to pupils attending schools for other reasons than faith. However, the Council does not have the financial resources to do this and the Education and Inspections Act 2006 is already extending the entitlement for low income families.
- 2.3 It would be possible to withdraw the transport provision completely. However, this was not supported in the consultation, would create difficulties for many families and may have further environmental impact as more pupils were transported by car.

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Background papers:	Consultation document: School Transport – your views Responses to consultation
List of appendices:	Appendix 1 – Implications Appendix 2 – Consultation document Appendix 3 – Summary of consultation responses

IMPLICATIONS

Financial

- 1.1 Savings have already been built into the Council's 2008/10 indicative budgets. For faith transport in the Children and Young People's Department budget, these are £106,000 in 2008/09 and a further £66,000 in 2009/10, based on the introduction of charges from September 2008 for all those who had started a new school from September 2007, and recovering the full cost of transport. The eventual saving would be £330,000 by 2012/13. For other home to school transport in the Regeneration and Community Department budget, the assumed savings from increased charges are £35,000 in 2008/09 and a further £60,000 in 2009/10. If the Council decided not to implement these proposals, equivalent savings would need to be identified elsewhere to balance the budget, which is already under pressure from other cost increases such as job evaluation. There will, in any case, be a shortfall on the faith transport savings if the proposed charges are implemented because these are less than the full cost. The eventual saving based on the consultation proposals is £268,000 for faith transport and £254,000 for other home to school transport. If the new and increased charges deter some families from using the service, then the savings could be less depending on the extent to which the number of buses could be reduced and costs reduced.
- 1.2 The Regeneration and Community Department budget does not include all of the savings that are likely to accrue to this particular initiative as there is a long standing piece of work going on to develop a corporate Transport Procurement and Operations Group. This group will need additional resources to be invested in the development of the service with the ultimate aim of achieving efficiencies in procurement and operation, as well as improving the safety and quality of the service delivery. Currently a business case is being developed and use of estimated additional savings from this initiative, not included in this report, are being considered as part of that process. This will be the subject of a separate report to a future Cabinet.
- 1.3 The introduction of discounts where there is more than one fare-paying child in the household will also have an impact on the income generation. A survey of pupils travelling to St Benedict suggested that 40% were only children, 50% had one sibling and 10% had two siblings. Based on these proportions, the discount proposed would result in a further eventual shortfall of £23,000 for faith transport and £36,000 for other home to school transport.
- 1.4 There is likely to be a need for an extra administrative post to implement this new scheme. This would cost around £20,000 and would need to be funded from the savings.
- 1.5 There is likely to be additional funding from central government relating to the new entitlements in the Education and Inspections Act 2006. However, consultation on how funding should be allocated to authorities is at an early stage, and it is difficult to estimate what extra costs will be involved.

Legal

2. 1 By law, the Council has to provide free home to school transport for pupils who live in Derby City Council's area AND attend their nearest suitable school which is at least:

- Two miles from home for pupils aged four to seven
- Three miles from home for pupils aged eight to 16

The provision of all other transport to schools is discretionary.

- 2.2 Article 2 of the First Protocol of the European Convention of Human Rights provides that:

“No person shall be denied the right to education. In the exercise of any functions which it assumes in relation to education and to teaching, the State shall respect the right of parents to ensure such education and teaching in conformity with their own religious and philosophical convictions.”

When ratifying the First Protocol, the United Kingdom entered the following reservation:

“In view of certain provisions of the Education Act enforced in the United Kingdom, the principle affirmed in the second sentence of Article 2 is accepted by the United Kingdom only so far as it is compatible with the provision of efficient instruction and training, and the avoidance of unreasonable public expenditure.”

- 2.3 Under the Education and Inspections Act 2006, some secondary school pupils who are eligible for free school meals or whose parents are entitled to maximum working tax credit will be entitled to free school transport. This would be to any one of three suitable schools closest to their home where those schools are between two and six miles away. For faith schools, the distance is between two and 15 miles.
- 2.4 In making any changes to existing policy, the Council must demonstrate that it has taken account of views expressed. Any decision on the provision of free and discretionary transport must be made without discrimination on grounds of religion or belief. The Council also has a duty to ensure a right and justifiable balance between the provision of education and reasonable public expenditure.

Personnel

3. Additional staffing resources will be needed to implement these proposals. However, this can be linked to the additional responsibilities in the Education and Inspections Act, but there is no budget provision at present.

Equalities impact

- 4.1 The current policy benefits pupils attending faith schools as free transport is not available to those who wish to attend schools for other reasons, such as their specialism.

- 4.2 The Education and Inspections Act 2006 increases entitlement to free transport for pupils whose families claim income support or the maximum working tax credit. However, those on low incomes just above the threshold may find difficulty in affording increased or new charges.

Corporate priorities

5. One of the Council's priorities for 2007-10 is to "give you excellent services and value for money." The income generated by this proposal enables other services to children, young people and the public to be maintained and developed.