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## **Children and Families Committee**

**13 January 2025**

### **Update on the Transformation of Travel Support**

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**Report of: Theresa Leavy, Executive Director of Children's Services**

**Report Reference No: CF/47/24-25**

**Ward(s) Affected: All wards.**

**For Decision or Scrutiny: Scrutiny**

#### **Purpose of Report**

- 1 This report provides a brief overview of progress and impact to date against the plans to transform travel support for children and young people in Cheshire East.

#### **Executive Summary**

- 2 In 2022 Cheshire East Council embarked on a three-year change programme to improve and modernise travel support for children and young people across the borough. Edge Public Solutions (Edge) were appointed from March 2023 to support these transformation plans.
- 3 This transformation has taken place at a time when the cost of school transport has been increasing across the country. Recent research by the County Council Network (CCN)<sup>1</sup> sets this out in detail, in particular the rising costs of transport for children and young people with special educational needs and disabilities (SEND), driven by the increase in the number of Education, Health and Care Plans (EHCPs), which has had a bigger impact on rural areas.
- 4 The overall cost of engaging Edge as consultants for the transformation programme will be £733k with financial improvements forecast to achieve around £3.1million by the end of 2024/25, a return on investment of £2.37million (323%).

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<sup>1</sup>[The Travel to School Challenge – report by CCN and Impower](#)

- 5 The outturn position for 2023/24 was an overspend of £1.286m. Budgets for 2024/25 reflected growth of £936k and savings of £400k, i.e., a net growth of £536k. This year has seen an improving position from FR1 when we reported a pressure of £500k to a projected overspend of £131k at FR3.
- 6 Whilst the total number of students being transported in Cheshire East has dropped by 48 pupils (1.25%) from March 2023 to October 2024, there has been an increase of 146 SEND pupils (13.3%). Despite this increase, the average cost per SEND pupil has fallen 14% from £10,215 to £8,796.
- 7 Changes to personal travel budgets (PTBs) and a revised charging policy offer lower cost options for providing transport. The number of PTBs overall has increased from 120 to 185 from March 2023 to October 2024 (a 54% increase), but most of this has been in relation to SEND pupils, an increase from 95 to 164 pupils (up 73%). During the same period routes with single occupiers have fallen by 23% from 177 to 136.
- 8 The dynamic purchasing system (DPS), which has 201 approved suppliers (up by 45% from 139 on the previous approved suppliers list) and use of electronic auctions will enable the team to continue to reduce contract costs.
- 9 A management information dashboard will provide information on changing trends to enable closer management of the service and new finance reports should enable closer scrutiny of costs and pressures.
- 10 A move to an integrated the travel team approach will improve processes and efficiencies and enable the team to focus on initiatives to keep costs under control.

## RECOMMENDATIONS

The Children and Families committee is recommended to:

1. Scrutinise the progress and impact to date in relation to the transformation of travel support for children and young people.

## Background

- 11 In November 2022, the children and families committee considered a report setting out the findings and recommendations from an independent review of travel support for children and young people. The committee agreed a number of recommendations to progress the transformation of travel support over the next three years.

## Progress and impact to date

- 12 The consultancy support from Edge was reduced from the initial three years to two years due to budget pressures and is now set to end in March 2025. It is comprised of eight workstreams as outlined below and had a cumulative financial improvement target of £1,889,204 over the two years.
- (a) Re-procurement of current supply contracts (DPS)
  - (b) Route optimisation as part of DPS re-tender programme
  - (c) Re-assessment of eligibility for transport
  - (d) Introduce travel training
  - (e) Promotion of PTBs / Single Occupier Review
  - (f) Post 16 / spare seats
  - (g) Integrated Travel Team
  - (h) Transport Systems
- 13 Papers considered by the committee throughout the programme have provided progress updates; this report provides a summary of the programme to date and the impact it has had on the service.
- (a) Re-procurement of current supply contracts (DPS)
    - i. A dynamic purchasing system (DPS) has been established, with the framework live on the council's procurement portal, ProContract. The marketing initiative identified 1,003 potential suppliers, who were all contacted by email/telephone and 201 transport providers have applied and been accepted onto the DPS, increasing by 45% from 139 who were on the previous approved contractors list.
    - ii. It was intended to use electronic reverse auctions to tender new contracts rather than a 'best priced bid' basis, as experience proved that lower prices were achieved. There were delays in implementing the auctions and they were used for the first time in August 2024.
    - iii. An analysis of the contracts that have been retendered since the DPS was introduced shows that the use of electronic auctions achieves lower prices, with savings of 13% being achieved. The overall impact of this is within Table 1 and 2 in the reprocurement of current supply contracts (DPS).
    - iv. New contracts starting in September 2024 that were tendered by best priced bid or auction resulted in auctioned routes being £10-

£15 per day lower (c.12%) reflecting a similar outcome to the retendered routes.

(b) Route optimisation as part of DPS re-tender programme

- i. The routes that were operating in October 2023 were optimised to reduce the number in operation (an exception was Springfield school where changes over summer 2024 would mean further changes to transport). This was done in two phases; phase 1 took place in October 2023 for routes in the south of the borough, and phase 2 in January 2024 for routes in the north. The outcome of this exercise is shown in the table below.

	<b>South (Oct-23)</b>	<b>North (Jan-24)</b>	<b>Total</b>
Routes to optimise	308	233	541
Terminated	43	27	70
% Terminated	14.0%	11.6%	12.9%

- ii. 70 routes out of a total of 541 (13%) were terminated and 105 were retendered after consultation with schools to ensure there were no issues with the passenger mixes.
- iii. Further optimisation took place in summer 2024 to put transport arrangements in place for the new cohort of pupils starting school in September 2024. This resulted in 90 routes being terminated.
- iv. The savings in 2023/24 from this exercise were £287k (phase 1 for Jan-Mar 2024) and projected savings in 2024/25 of £1.6 million, a total saving of £1.89 million.
- v. Optimisation is a key part of the travel planning process and needs to take place to ensure that routes are efficient and that children arrive at school ready to learn. It needs to be done on a regular basis to ensure that costs are kept under control. The work undertaken has demonstrated the benefit of regular optimisation exercises, although resulting changes to transport need to consider the impact on the pupils travelling.

(c) Re-assessment of eligibility for transport

- i. This work focused on mainstream pupils who were travelling on routes that were deemed to be available for walking and therefore free transport could be withdrawn.
- ii. Following the decision by committee in September 2023 the affected parents were made aware of changes to eligibility of the two routes that were assessed as safe to walk and free transport

was withdrawn from 81 pupils in January 2024 saving £25k to the end of the year.

- iii. This workstream was taken back in-house in May 2024 and work is underway to review other available walking routes to identify what remedial work is needed to re-classify routes currently deemed as unsafe to make them safe to walk.
  - iv. An update report will be presented to a future meeting of the committee in line with the MTFS proposal to make further savings in relation to school transport.
- (d) Introduce travel training
- i. During 2023, work was undertaken to research the options for providing independent travel training. The consideration that a prerequisite for starting a travel training service for CEC was that it should target training towards those candidates who are:
    - Already assessed as eligible for free school transport (they may not yet be receiving it).
    - Are assessed as capable of completing a travel training course.
    - Whose parents / carers agree to travel training and show a willingness for their child to use public transport for their school journey once they are trained.
  - ii. To ensure it can train enough candidates to at least cover its costs, it is key to understand:
    - Which establishment(s) candidates might be attending and the volume.
    - Whether there is public transport serving the establishment(s) at the times required for school attendance.
    - It was found that some but not large numbers of candidates who meet all the tests, but there are many potential candidates who don't meet all the tests and would benefit from travel training but who do not currently qualify for free school transport, and it is simply a life skill from which they would benefit.
  - iii. One of the biggest barriers is the public transport network, which does not have the necessary coverage to enable candidates to travel to school after they have completed the training. This

significantly reduces the cost benefit of an independent travel training scheme, especially one that is externally provided.

- iv. The council has no internal travel training function and there are no external suppliers working across the borough so options at present are limited. Other local authorities have had similar issues in trying to commission this service. It was recommended to reconsider travel training as part of an internally provided service within the council or integrated travel team.
- (e) Promotion of PTBs / Single Occupier Review
- i. The offer for personal travel budgets (PTBs) was amended from 25p to 45p per mile and the new arrangements were launched in September 2023, including applying the increased rate for existing parents.
  - ii. We have targeted PTBs at SEND pupils travelling in solo transport. As of October 2024, we had a total of 164 SEND pupils benefitting from PTBs, an increase of 73% from 95 in March 2023. This has provided estimated savings of £309k against the cost of taxi transport in 2023/24 and projected to save £276k in 2024/25.
  - iii. Since March 2023 the number of children travelling on solo transport has reduced from 177 to 136 (23%). This followed a campaign to promote PTBs and staff allocating solo transport as a last resort. In most cases the solo transport is now a result of the child's needs or because they are the only child travelling to that school, especially out of borough.
- (f) Post-16 / spare seats
- i. The committee approved changes to the post-16 policy in February 2024, which including making PTBs the default travel option for these young people. Overall our post-16 travel cohort has reduced from 185 in March 2023 to 146 in October 2024. Of these, 33 (23%) were taking up the PTB offer.
  - ii. Of those students eligible for post-16 travel, 70 were offered a PTB and the rest were provided with transport as this was the lowest cost option. 52 of the 70 students offered the PTB appealed against this and 44 of the appeals were successful and transport was provided.
  - iii. Although 33 post-16 PTBs is a relatively low figure, this is the first year of the policy change. Where 3 or 4 students could travel together but offering all of them a PTB was cheaper, it only

needed one of the students to appeal successfully against the PTB and a taxi for all the students became the lowest cost option. Post-16 students travelling out of borough tends to be a barrier to parents accepting a PTB due to the distance, and time taken out of the day for two journeys. Numbers are expected to increase in future years, especially as children attend settings closer to home.

- iv. Those post-16 pupils not awarded a PTB and the 32 pupils travelling on a spare seat are now paying a £900 contribution (increased from £450) towards transport which will generate an additional £38,368 of income in 2024/25.
  - v. Of these, only 5 have been set up to pay by monthly direct debit to date as there were initially some issues with the process and therefore 5 were selected on a test basis. Three are now running smoothly but there are issues with two which are being investigated with the aim of having the direct debit process available for full use in September 2025.
- (g) Integrated Travel Team
- i. A survey was conducted in December 2023 with staff who work in the three areas of the school travel service (across the children's and place directorates), i.e., the transport operations team, Education Travel Policies Team and Contracts and Performance team. This focused on identifying what worked well, what could be improved and how the teams worked together and with other service areas.
  - ii. Meetings then took place with staff to determine the tasks completed by each team and identify where duplication of tasks took place or where synergies could bring similar tasks under the control of one team.
  - iii. An options paper on a future operating structure was drafted in July 2024 but no further progress has taken place due to the wider corporate restructure and the decision to bring the functions of ANSA, which includes transport systems, back to Cheshire East Council. Further work will be done early in 2025 around where responsibility for the various services are best placed.
- (h) Transport Systems
- i. Early in the programme, work commenced to cleanse the data in the mobisoft travel centre (MTC) to help with the delivery of the various workstreams. The majority was completed but some non-

essential data has still to be done before the end of the programme.

- ii. This was a large task, and a procedure has been documented that will take place every month to cleanse the data prior to the production of MI and a budget forecast.
- iii. A MI dashboard using Power BI has been developed and is being finalised with the addition of historical data to enable data trends to be produced. This will assist with budget monitoring and tracking where pressures are arising, enabling action to be taken. Work with finance has resulted in a new report format that will enable a high-level view of the financial position with the ability to drill down into the detail.
- iv. These developments will give the team more visibility of the financial position and provide accurate data that will help the team to manage the budget and control the costs.

### **Financial Improvements**

- 14 The transformation of travel support programme originally had a financial improvement plan as outlined below.

Potential annual returns		
23/24	24/25	25/26
544,602	1,889,204	2,146,806

- 15 This was based on the work starting in January 2023, but the actual start date was delayed until 14 March 2023 and therefore the savings target for 23/24 was reduced to £469,521.
- 16 The revised target and agreed actual financial improvements achieved for 2023/24 are shown in Table 1 at Appendix 1, with an overachievement of £310k against target.
- 17 The figures for 2024/25 are shown in Table 2 at Appendix 1 and the current position is that improvements of £2.3million will be achieved (these have not yet been signed off but have followed the same process as in 2023/24), an overachievement of £434k against target.
- 18 This will give total improvements over the two years of the programme of £3.1million, i.e., the actual savings from 2023/24 of £779k (in Table 1) plus the expected savings in 2024/25 of £2.36 million (in Table 2). This is £783k above the financial improvement target.



## **Budget Implications and Pressures**

- 19 The financial improvements achieved are as a result of the delivery of the various initiatives and are being tracked to monitor the success of each element.
- 20 Whilst we can optimise routes to remove costs, use auctions to reduce the cost of retendering, and offer PTBs etc to reduce route costs, the demand means that new routes need to be set up and this is driven by the schools that the children are attending.
- 21 The costs of transporting children with special needs are higher than mainstream pupils and these numbers are increasing. Similarly, more children are having to travel out of borough for their education due to lack of places to meet their needs and the transport costs are higher. The transport team cannot control these pressures and can only provide the most efficient transport possible.
- 22 Across the UK, the cost of school transport is increasing, and has been for several years. Recent County Council Network (CCN) research has shown a 23% increase in spend in just two years. Most of this increase is on SEND transport and costs for county councils have doubled to £800m in the last five years, with national expenditure growing from £727m in 2019 to £1.4bn in 2024.
- 23 The key driver is the number of Education, Health and Care Plans (EHCPs) which have grown rapidly from 240,183 in 2015 to 575,973 in 2023/24, an increase of 140 per cent over 10 years.
- 24 Analysis by the CCN has shown that these increases are more acute in county areas with county and rural councils transporting double the amount of SEND pupils on average (2,458), compared to the rest of the country, a 45% increase in 2018/19's average of 1,694 pupils per county and rural council. The costs per pupil travelling in those areas have also risen more sharply, from £6,792 in 2018/19 to £9,750 this year: a 44% increase.
- 25 By comparison, in Cheshire East the average cost per SEND pupil in March 2023 was £10,215 and this has reduced to £8,796 in October 2024, a reduction of 14% despite a 13.3% increase in the number of pupils.
- 26 The outturn position for 2023/24 was an overspend of £1.286m. Budgets for 2024/25 reflected growth of £936k and savings of £400k, i.e., a net growth of £536k. This year has seen an improving position from FR1 when we reported a pressure of £500k to a projected overspend of £131k at FR3.

## **Value for money of the programme**

- 27 The costs of engaging Edge as consultants for the programme will cost £733k with financial improvements achieved looking to be around £3.1million by the end of 2024/25, a return on investment of £2.37million (323%).
- 28 In addition, the DPS and use of electronic auctions will enable the team to continue to reduce contract costs and changes to PTBs and charging policy will offer lower cost options for providing transport.
- 29 The MI dashboard will provide information on changing trends to enable closer management of the service and the new finance reports should enable closer scrutiny of costs and pressures.
- 30 A move to an integrated travel team with all three service areas coming under one team would improve processes and efficiencies and enable the team to focus on initiatives to keep costs under control.

## **Consultation and Engagement**

- 31 The transformation of travel support programme has been subject to a number of consultations over the past couple of years, but no consultation or engagement has taken place in relation to this update on progress.

## **Reasons for Recommendations**

- 32 The recommendations are for committee to scrutinise progress made to date in the transformation of travel support.

## **Other Options Considered**

- 33 No other options were considered as this paper is in response to a request from committee for an update.

## **Implications and Comments**

### *Monitoring Officer/Legal*

- 34 The local authority is required by the Education Act 1996 as amended by the Education and Inspections Act 2006 to make suitable travel arrangements for eligible children to attend school. This includes the duty to promote sustainable modes of travel for children and young people of compulsory school age.
- 35 Updated statutory guidance for local authorities, namely, 'Travel to school for children of compulsory school age' was issued by the Department of Education in January 2024. This replaces the previous 'Home to School Travel and Transport Guidance' from 2014 and is for

children of compulsory school age: [Travel to school for children of compulsory school age](#)

- 36 There is separate guidance on travel to post-16 education and training ie 'Post-16 transport and travel support to education and training', issued January 2019: [Post-16 transport and travel support to education and training](#).
- 37 The local authority is therefore under a duty to have regard to the guidance when performing their duties in relation to home to school travel and transport and sustainable travel.

#### *Section 151 Officer/Finance*

- 38 This report is for information and does not contain any changes to the current budget. The budget, pressures and savings are detailed within the main report. Any ongoing pressures/savings are being reviewed as part of the 2025/26 MTFS process.

#### *Policy*

- 39 There are no policy implications of this report and its recommendations/decisions here.
- 40 The transformation of travel support support's the following council's priorities and aims.

<b>An open and enabling organisation</b>	<b>A council which empowers and cares about people</b>	<b>A thriving and sustainable place</b>
Ensure that there is transparency in all aspects of council decision making  Support a sustainable financial future for the council, through service development, improvement and transformation	Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential	A transport network that is safe and promotes active travel

#### *Equality, Diversity and Inclusion*

- 41 There are no equality implications as a result of this report and its recommendations/decisions here.

#### *Human Resources*

- 42 There are no HR implications as a result of this report.

### *Risk Management*

- 43 A risk management framework has been established as part of the transformation programme for travel support.

### *Rural Communities*

- 44 Children and young people across all areas of Cheshire East access travel support. However, as the statutory provision of free home-to-school transport is based on distance to school, residents in rural areas of the borough are more likely to be eligible for travel support and therefore affected by any changes. Children living in rural communities often rely on travel support to access their learning and any proposals to improve the delivery and customer experience for these services supports these rural communities.

### *Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 45 Children, young people, and their parents are key stakeholders in the transformation programme. The transformation of travel support aims to improve travel options for eligible students.

### *Public Health*

- 46 The provision of walking and cycling routes to school and promoting active travel, including safer walking routes to school is in line with our Public Health priorities. Extending and improving the travel options available to eligible students could encourage more active and healthy methods of getting students to school.

### *Climate Change*

- 47 The transformation of travel support will have a limited impact on the environment, and we are actively promoting healthier and greener journeys to school.

<b>Access to Information</b>	
Contact Officer:	Gill Betton, Head of Service, Children's Development and Partnerships <a href="mailto:Gill.betton@cheshireeast.gov.uk">Gill.betton@cheshireeast.gov.uk</a>
Appendices:	Appendix 1 – Table 1 and Table 2
Background Papers:	The current school transport policies can be found at: <a href="https://www.cheshireeast.gov.uk/school-transport-policies">School transport policies (cheshireeast.gov.uk)</a>

## Appendix 1

**Table 1- Revised target and agreed actual financial improvements achieved for 2023/24**

FIP ITEM		Target Improvements 23/24 *	Actual Improvements 23/24	Improvements to Target
1	Reprocurement of current supply contracts (DPS)	83,462	229,412	145,950
2	Route optimisation as part of DPS re-tender programme	190,771	287,176	96,405
3	Re-assessment of eligibility for transport	50,897	25,006	-25,891
4	Travel training	15,875	0	-15,875
5	Promotion of PTB's / Single Occupier Review	198,516	309,431	110,915
6	Post 16 / Spare Seats / PHS	0	0	0
7	Extra Staffing	-70,000	-71,760	-1,760
<b>Grand Total</b>		<b>469,521</b>	<b>779,265</b>	<b>309,744</b>
* - amended figure from £544,602 due to delay in Edge commencing work				

**Table 2 - Target and financial improvements forecast for 2024/25**

FIP ITEM		Target Improvements 24/25	Improvements 24/25 to date	Predicted Improvements 24/25
1	Reprocurement of current supply contracts (DPS)	£ 590,000	£ 260,350	£ 470,434
2	Route optimisation as part of DPS re-tender programme	£ 814,000	£ 965,250	£ 1,603,071
3	Re-assessment of eligibility for transport	£ 105,204	£ 25,401	£ 25,401
4	Travel training	£ 130,000	£ -	£ -
5	Promotion of PTB's / Single Occupier Review	£ 250,000	£ 137,885	£ 275,997
6	Post 16 / Spare Seats / PHS	£ 70,000	£ 17,413	£ 38,368
7	Extra Staffing	-£ 70,000	-£ 51,213	-£ 51,213
<b>Grand Total</b>		<b>£ 1,889,204</b>	<b>£ 1,355,086</b>	<b>£ 2,362,058</b>