

Children and Families Committee

Date of Meeting:	14 November 2022
Report Title:	Children's Travel Support Review
Report of:	Deborah Woodcock, Executive Director of Children's Services Jayne Traverse, Executive Director of Place
Report Reference No:	CF/22/22-23
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. The current arrangements for providing travel support for children and young people are unsustainable. This report sets out the findings from an independent review of travel support for children and young people. It seeks endorsement and delegated authority from the children and families committee to roll out a three-year transformation and modernisation plan to respond to the review findings and recommendations.
- 1.2. The requirement for the review was set out in the council's medium term financial strategy (MTFS). This recognised the budget pressures as a result of the significant increase in pupil numbers, particularly those with special educational needs and disabilities (SEND). The 2022/23 school transport budget was temporarily increased whilst a review was carried out to understand the ongoing demand led pressures and ensure appropriate strategies are in place to achieve a financially sustainable position.
- 1.3. Travel support is provided to some of Cheshire East's most vulnerable children and young people. Whilst efficiencies must be made to reduce the pressures on the school transport budget, it is essential that these are developed together with parents, carers and other stakeholders to ensure that these maximise the opportunities to improve the experiences and

outcomes of our children and young people. A comprehensive communication, consultation and engagement plan is being developed.

2. Executive Summary

- 2.1. The MTFs approved by full council in February 2022 recognised the budget pressure on home to school transport. Pupil numbers, particularly those with SEND, have significantly increased over recent years. In response £1.2m was added to the 2022/23 transport budget to help manage demand, with an additional amount of up to £1m of COVID-19 funding to be drawn down to support the service. Both of these allocations were one-off amounts.
- 2.2. The MTFs stated that during 2022/23 there would be a review of travel support for children and young people to understand the ongoing demand led pressures and ensure appropriate strategies are in place to achieve a financially sustainable position.
- 2.3. The company, Edge Public Solutions (Edge), was appointed to carry out the independent review. The review report, which is now complete, sets out a number of findings and identifies the recommendations and actions needed to reduce the budget pressures and improve the customer experience in relation to sustainable travel support for children and young people over the next three years.

3. Recommendations

- 3.1. The Children and Families Committee is recommended to:
 - a. Note and agree the report contents and the underlying principles and cultural change set out in the independent review of travel support for children and young people at Appendix 1.
 - b. Endorse the proposal to procure specialist professional capacity, funded from the children and families transformation fund, to drive the initial transformation plans, achievable savings and establishment of the integrated travel support team.
 - c. Delegate authority to the Executive Director of Children and Families, in consultation with the Executive Director of Place, to make decisions in relation to:
 - i. The roll out of a three-year transformation and modernisation programme to deliver the recommendations in the report, including a new strategy and integrated travel team, supported by clear performance and budget management reporting and consultation, communication and engagement with stakeholders.
 - ii. Proposal to streamline and revise the school transport policy and process from application to delivery, including a new application, reassessment and appeals process and the immediate, in year

- (2022/23) development of alternative travel solutions, such as personal budgets and independent travel training.
- iii. Proposals to embark on a comprehensive exercise around the operational delivery and re-procurement of school transport to improve the effectiveness of routes, encourage and support new suppliers to Cheshire East, improve value-for-money and the experiences for families.
 - iv. Developing a business case for investment for small capital schemes to improve safe walking routes on potential high-volume routes, including the production of an agreed protocol and strategy for implementing safe walking routes and supporting the council's priority outcomes for active travel and decarbonisation.
- d. Agree to receive interim reports around specific actions that require committee approval, along with an initial update report within six months and annually thereafter.

4. Reasons for Recommendations

- 4.1. The costs of travel support for children and young people have increased significantly over recent years and are continuing to put pressure on the council's budget. The MTFs approved by full council in February 2022 included a temporary uplift in the travel support budget to address the financial pressures in 2022-23 whilst an independent review is carried out.
- 4.2. The recommendations set out in this report respond to the findings and recommendations of the independent review, including the benefits of the proposed changes, eg, independent travel training and personal travel budgets, for children and young people.

5. Other Options Considered

- 5.1. There are number of risks and impacts in doing nothing or implementing only some of the recommendations in the review report.
- 5.2. If the council does not carry out all the recommendations, then the ambitious savings set out by the review will not be achieved. The council would not be able to sustain the existing school transport arrangements due to budget pressures.
- 5.3. The full engagement with stakeholders is essential to make the cultural change needed to transform travel support services. It is expected that parental dissatisfaction would increase without their involvement which would lead to an increase in complaints.
- 5.4. Sufficient professional capacity will be required to lead and deliver transformation. This needs to be in addition to the staffing required to deliver the day-to-day operations. It is essential that those leading the change have the skills and practical knowledge travel support for children and young people to be effective.

6. Background

- 6.1. The local authority is required by both the Education Act 1996 and the Education and Inspections Act 2006 to make travel arrangements for certain eligible children to attend school. This includes the duty to promote sustainable modes of travel for children and young people of compulsory school age.
- 6.2. In recent years there has been an increase in demand for school transport, in particular in relation to children with SEND. SEND passenger numbers grew 32% from March 2020 to March 2022; this had increased to 49% by October 2022. The increase in SEND passengers is forecast to increase by 180 new SEND passengers each year, based on the assumption that 30% of the 600 projected new EHCPs per year require transport. These are likely to require more costly out of borough placements. The increase in SEND pupils has been considered at length by committee and the overall strategy remains the same; to continue to increase local provision and enhance SEND support services to ensure needs are met in the most effective way.
- 6.3. The costs of providing transport have also increased significantly due to a reduction in the supply of transport providers and an increase in their running costs. The council approved a one-year increased budget for 2022-23, whilst a full review was carried out.
- 6.4. There were significant changes in the school transport arrangements in April 2022, when existing functions and staff from Transport Service Solutions (TSS) transferred to the council. There were risks associated with the smooth running of this transfer and so the review was commissioned as soon as possible following this.
- 6.5. EDGE Public Solutions was appointed to carry out the independent review. The terms of reference for the review were to identify improvements and actions that could lead to budget savings and better experiences for service users, in particular in the following areas:
 - Statutory requirements of the local authority
 - Management and accountability around school transport
 - Supply of, and demand for, travel support for children and young people in Cheshire East
 - Budget and data management and information
 - Efficient use of resources, including where transport may be the most cost-effective solution
 - Cultural change required
- 6.6. The final review report is attached at Appendix 1. The Edge report includes an outline implementation plan, timeline and financial improvement plan

and sets out a number of findings and recommendations under the following key areas:

- Organisation – resources, systems and performance
- Policy, assessment and shifting the travel offer
- Delivery

Organisation – resources, systems and performance

- 6.7. The report sets out a number of proposals around the organisation and strategy for travel support (recommendations GS1 to GS5). These include a three-year transformation programme, which will require significant work with all stakeholders and the wider council to ensure cultural changes are embedded.
- 6.8. The report proposes that all aspects of travel delivery are integrated into a dedicated travel team with a joined-up strategy, corporate wide support and overall accountability for total expenditure. There are a number of options for how this team would be configured and where it would sit within the council.
- 6.9. We propose to procure the services of a suitably qualified and experienced person as soon as possible, funded through the children and families transformation funding for up to 18 months. The consultant will be tasked with bringing together the implementation plan with realistic timescales and savings targets from the baseline position in November 2022 (the date when contracts are stabilised for the school year). The consultant will also identify options and establish the new team and strategy required to embed the proposed changes. A ‘payment by results’ arrangement in the commission for the consultant will be considered, if appropriate.
- 6.10. Work is already underway to improve the performance and budget information to ensure that progress can be monitored and scrutinised.
- 6.11. We intend to work together with schools, parents and other stakeholders to develop our new ways of working. This includes exploring further delivery options, eg, working with schools on travel options for some children and young people.

Policy, Assessment and shifting the travel offer

- 6.12. The proposals around the policy, assessment and shifting the travel offer (recommendations P1 to P18) include streamlining and revising the school transport policy and process from application to delivery. This includes a new application, reassessment and appeals process and the development of alternative travel solutions, such as personal budgets and independent travel training.
- 6.13. It is important that we work closely with parents on the new policy to ensure clarity, transparency and consistency. We will also ensure that major

changes are carried out in a phased way that is sensitive to the impact of these changes on children and their families. Whilst it is important to make a cultural shift in the delivery of travel support, we also need to acknowledge that there will be some children who continue to need 'door to door' transport.

- 6.14. The promotion of alternative travel solutions will be a key part of the strategy, with the aim of preparing young people for adulthood and supporting parents with a more effective personal travel budget option. Assessment and reassessment processes will need to be carefully managed and have the support of schools and settings.
- 6.15. There is not currently an application process from parents for SEND transport as this is part of the EHCP process. Although this is a priority, this will be a significant piece of work and require closer working between the SEND and transport teams to align with existing processes,
- 6.16. With proposed changes in transport policy, appeals are likely to increase and it is essential that we have an effective group that understands the policy and can ensure that decision making aligns with this.
- 6.17. Independent travel training is tailored and practical help for disabled children and young people to travel by transport, on foot or by bike. It aims to help children and young people travel independently and without fear so they can get to school or college, work and for social and leisure activities. This training is not currently available in Cheshire East and we would want this to be a core part of our offer for those young people who would benefit in preparing for adulthood.
- 6.18. The development of personal budgets needs to be a priority as this has the potential to make savings and improve parental experiences quicker. We will need to work with parents and education settings to simplify the current process for these. We would aim to pilot this as an option as soon as possible for new applications.
- 6.19. The review recommends that the council harmonise the post-16, spare seat and bespoke scheme charges and bring into line with other authorities and reflect inflation. This would result in an increase in charges for these families. This will be done in a phased manner, sensitively and those affected will be consulted in line with statutory guidance. Eligible families will be signposted to the government's 16-19 bursary scheme, where appropriate.
- 6.20. The local authority is required by law to make school travel arrangements where a route is not available for a child to walk to school in reasonable safety. A number of children under the statutory distance from school in

Cheshire East are eligible for free school transport as a result of this. Cheshire East's available walking routes to school programme, established in 2016, proposed that a number of routes be re-assessed as available walking routes to school and free school transport for those routes be withdrawn. Following significant pressure from both parents and some members, not all of these routes were withdrawn.

Operational Delivery

- 6.21. The proposals around the operational delivery of travel support (recommendations TD1 to TD21) include proposals to embark on a comprehensive exercise around the operational delivery and re-procurement of school transport to maximise routes, encourage and support new suppliers to Cheshire East and improve the experiences for families.
- 6.22. Engaging and shaping the supply market around school travel will be an essential priority within the transformation programme. This includes a council wide approach to improving our systems and processes to commission and retain more operators into Cheshire East.
- 6.23. Whilst proposed changes to existing routing and procurement will achieve significant benefits in the longer term, it will involve significant work and upheaval for children, schools, parents, staff and operators to implement these recommendations. The review recommends an approach which includes batch tendering, for example, using batching to ensure all contracts receive more bids by placing potentially unpopular routes/contracts with more popular ones and stipulating bids will only be considered for all of them together. It also recommends reverse auctioning, which is a form of procurement whereby the council would approach transport operators for bids to provide a contract, with a specification of minimum requirements. Companies tendering for the contract would bid progressively lower prices, with the lowest priced bid winning the contract.
- 6.24. There will be challenges in re-routing, batching tenders and reverse auctioning that will need to be managed carefully with all those affected. The passenger charter will be essential in establishing expectations.
- 6.25. We are keen to build our relationships with suppliers and to regulate performance reviews. This includes ensuring that we have a two-way dialogue, and we can feedback from others, including schools. Having the right management information to measure the impact of this transformation programme will be key. Performance and other key information also need to be accessible in a user-friendly way to others such as parents, schools and operators.

Proposed governance arrangements

- 6.26. Strategic oversight for implementation of the review will be through the children and families directorate management team (DMT), in consultation with place DMT. The senior responsible officer is the Director of Education and Skills.
- 6.27. Directors and heads of service from the children and families and place directorates meet monthly to discuss and monitor any issues and risks in relation to the delivery of travel support for children and young people.
- 6.28. A steering group of key stakeholders was established to oversee the review. To date this has been chaired by the Director of Education and Skills includes staff from children and families, place and corporate services. The terms of reference and membership of this group will be reviewed to ensure that this is fit for purpose to inform the implementation of the review.
- 6.29. Future reports in relation to statutory consultations and six-monthly updates on progress against the implementation plan will be presented to the children and families committee.

7. Consultation and Engagement

- 7.1. TOGETHER is our shared definition of coproduction in Cheshire East and the review was carried out together with our key stakeholders, including parent/carers, young people, our staff and providers. Other stakeholders including transport operators, schools and settings were also be consulted as part of the review.
- 7.2. Implementation of the recommendations of the review will result in further consultation and engagement with all interested parties.
- 7.3. The DfE's home to school travel and transport statutory guidance states the following:

'Local authorities should consult widely on any proposed changes to their local policies on school travel arrangements with all interested parties. Consultations should last for at least 28 working days during term time. This period should be extended to take account of any school holidays that may occur during the period of consultation. Good practice suggests that the introduction of any such changes should be phased-in so that children who start under one set of transport arrangements continue to benefit from them until they either conclude their education at that school or choose to move to another school. Parents make school choices based on, amongst other things, the home to school transport arrangements for a particular school, and any changes might impact adversely on individual family budgets.'

7.4. Proposed changes to Cheshire East's arrangements will be carried out in line with national guidance. Cheshire East's revised policies will be reported back to the children and families committee, as required.

7.5. **Implications**

7.6. **Legal**

7.6.1. The local authority is required by both the Education Act 1996 and 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. The government has also issued statutory guidance called Home-to-school travel and transport guidance 2014.

7.6.2. This means that a local authority is under a duty to have regard to it when carrying out their duties in relation to home to school travel and transport and sustainable travel.

7.6.3. Legal services will be consulted with the review to ensure that statutory guidance is considered. If and to the extent that the transformation plan calls for the procurement of new transport services; or the re-procurement of existing services in line with the stated goals of the plan; the Legal Contracts and Procurement Team will support the procurement team with any required procurement activity. Pending finalisation of the plan, Legal has no other observations to make at this stage.

7.7. **Finance**

7.7.1. The Edge report is based on a consultant's forecast during the review period (March – July 2022) which members should consider against the latest financial position to be reported at mid-year review (MYR). The current indicative position is a £2.5m forecast overspend.

7.7.2. The budgetary pressures around school transport are increasing due to increasing numbers of pupils with an education, health and care plan (EHCP) requiring transport, the increased costs of contracts due to a reduced number of suppliers and the impact of fuel inflation.

7.7.3. As of September 2022, there are a number of contracts that have been handed back and the estimated £2.5m pressure is likely to increase by a further £1m. This will be confirmed later in 2022 when the contract costs have stabilised. This will provide a baseline position for 2022 from which the achievable savings can be agreed and reported back to committee.

7.7.4. The financial improvement plan suggested by the Edge report are set out at Appendix 2. The achievability of the £2.1m annual savings proposed at the end of the 3 years will have to be carefully considered to establish whether they are deliverable in the current climate of increased demand, national

inflationary increases and deflated market conditions. Either way the result is expected to be a net increase in transport costs.

- 7.7.5. It should be highlighted that SEND transport provision is anticipated to increase in future years, in line with EHCP referrals, which will significantly increase cost pressures. There is currently no further growth identified in the MTFS for an increase in transport provision for the next 3 years. This will place a significant pressure on base budget. An MTFS business case will be needed to include the investment (both capital and revenue) in order to secure an interim budget and deliver any agreed savings.

7.8. **Policy**

- 7.8.1. The review proposes a number of policy change in relation to travel support and school transport for children and young people. These will be carried out in line with relevant consultation and approval processes.

7.9. **Equality**

- 7.9.1. A significant number of existing travel arrangements are put in place for children with SEND and are accessible to meet their needs.
- 7.9.2. We will ensure that any changes to policies, services and practice do not discriminate against any particular groups and, where possible, we will promote equality of opportunity.
- 7.9.3. An initial equality impact assessment (EIA) around the overarching proposals is attached at Appendix 3. Detailed EIAs will also be completed to consider the impact of individual key changes on protected groups, where appropriate.

7.10. **Human Resources**

- 7.10.1. Additional capacity will be needed initially to support the implementation of the review and to establish the integrated team. It is proposed that this capacity is commissioned through the council's agreed frameworks. This will be through a competitive process to ensure that we commission those with the appropriate skills and expertise to deliver the proposed change programme in this specialist area.
- 7.10.2. Council processes will be followed in establishing the new team, including consultation with staff, unions etc, where appropriate.

7.11. **Risk Management**

- 7.11.1. There is a risk that, without additional capacity to drive the transformation programme, the pace and impact of change will not be achieved. The proposal to commission additional capacity with the skills and expertise to drive change in this specialist area it expected to mitigate against this risk.

- 7.11.2. There is a risk that the review does not mitigate against pressures on the school transport budgets and/or that costs associated with travel support for children and young people continue to rise. It is proposed that the children and families committee and senior managers within the council will regularly monitor and scrutinise this risk through performance and budget update reports.
- 7.11.3. There is a risk that with the continued increased demand for education, health and care plans means that the pressure on the budget continues. This is being addressed and reported separately through the DSG management plan.
- 7.11.4. There are risks to the current delivery of home to school provision due to the capacity for driver and vehicle availability locally being reached. This is being monitored and managed closely by teams within the council. The proposed changes to operational delivery and re-procurement of school transport set out in the review aim to increase the availability and supply of travel solutions in Cheshire East.
- 7.11.5. Changes to available walking routes have previously been highly contentious in Cheshire East and attempts to make changes have been met with political and parental resistance. As a result, there is a risk that members may be reluctant to endorse changes in relation to available walking routes.
- 7.11.6. A risk management framework will be established as part of the new governance arrangements to oversee implementation of the review's recommendations.
- 7.12. **Rural Communities**
- 7.12.1. Home to school transport provision has a significant impact in reducing the effects of rural isolation and access to learning. Therefore, any proposals to improve the delivery and customer experience for these services supports our rural communities.
- 7.12.2. The statutory provision of free home-to-school transport is based on minimum thresholds of distance-to-school at 2 miles for primary and 3 miles for secondary pupils. These criteria mean that the pupils eligible for free home-to-school transport are disproportionately resident in rural areas of the borough.
- 7.12.3. Any options as a result of the review will take into consideration the current geography and accessibility of transport in Cheshire East.

7.13. **Children and Young People/Cared for Children**

7.13.1. Children, young people and their parents are key stakeholders in the review. Wherever possible, the proposed changes will aim to improve their experiences and/or mitigate against any negative impact.

7.14. **Public Health**

7.14.1. Supporting children, young people and their families to engage in physical activity helps people live well and for longer. 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.

7.15. **Climate Change**

7.15.1. Wherever possible our re-procurement of travel support we will aim to benefit climate change through maximising shared transport arrangements, ie, larger vehicles, shared taxis etc. Initiatives such as independent travel training, cycle to school and available walking routes all make a positive contribution to the council's carbon reduction ambition. However, this is not always possible, in particular where children with SEND need to travel to more specialist provision, sometimes outside of Cheshire East.

Access to Information	
Contact Officer:	Gill Betton, Head of Children's Development and Partnerships Gill.betton@cheshireeast.gov.uk Richard Hibbert, Richard.hibbert@cheshireeast.gov.uk
Appendices:	Appendix 1 – Travel support for children and young people: Independent review findings and recommendations Appendix 2 – Edge review financial improvement plan
Background Papers:	Report to children and families committee outlining proposed review, May 2022 Home to school travel and transport guidance. Statutory guidance for local authorities